



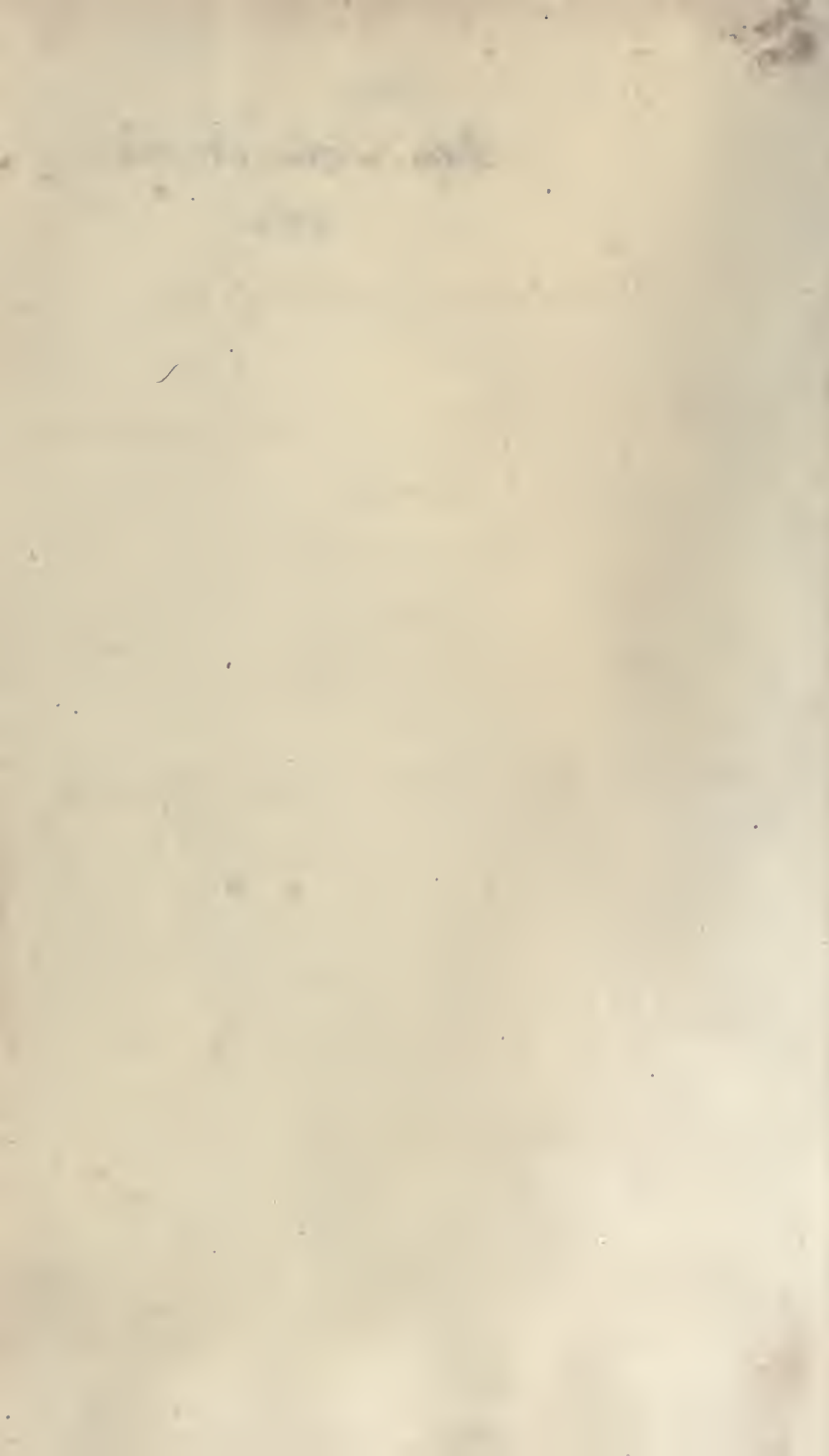
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THE
ELEMENTS
OF
BOOK-KEEPING:

COMPRISING
A SYSTEM OF MERCHANTS' ACCOUNTS,
FOUNDED ON
REAL BUSINESS,
AND
ADAPTED TO MODERN PRACTICE.
WITH
AN APPENDIX ON EXCHANGES, BANKING,
AND OTHER COMMERCIAL SUBJECTS.

BY P. KELLY, LL. D.

MASTER OF THE FINSBURY-SQUARE ACADEMY, LONDON; AND MATHEMATICAL
EXAMINER TO THE TRINITY-HOUSE.

The Tenth Edition.

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PRINTED FOR LONGMAN, REES, ORME, BROWN, GREEN, AND LONGMAN;
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PREFACE

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PREFACE.

ALTHOUGH the utility and importance of Book-keeping be universally understood and acknowledged, the use of any new work on the subject may be questioned, when so many Systems have been already written by men of talents and learning. It is a fact, however, well known, though not easily accounted for, that there is not, in this great commercial nation, any Elementary Treatise that accords with the improved practice of the Counting-house. The object, therefore, of the present undertaking is to explain the principles and modern improvements of Merchants' Accounts—to illustrate Rules by real Transactions—and thus to unite a knowledge of Business with that of Book-keeping.

This Work consists of Three Sets of Books:—The first explains the Elements of Single and Double Entry, in a concise and simple manner;—The second is a further and more complex Exercise in Double Entry: it is arranged according to the Theories generally taught in Schools, and, like these, founded on imaginary transactions: but the third Set is founded on Real Business; that is, the materials which compose this System have been selected from the Books of different Merchants, and arranged according to the improved practice of the first Counting-houses. This practice does not consist in any change of the principles of Double Entry, but in the adoption of Subsidiary Books, and the classification of similar Accounts—arrangements which greatly promote perspicuity, precision, and dispatch.

In order to account for the present state of Book-keeping; both in Theory and Practice, it will be necessary to give a concise view of its History. The following sketch is therefore attempted, which, however imperfect, cannot be wholly uninteresting to persons engaged in the study of this ingenious and useful branch of science.

A SHORT

HISTORY OF BOOK-KEEPING.

THE origin of Book-keeping, like that of most other useful Arts, is involved in great obscurity. It is generally supposed to have been first practised at Venice in the fifteenth century, when that city was the grand Emporium of Europe. Some Authors, however, think that Double Entry was known to the ancients, and revived only in Italy with the revival of commerce;* and several passages are quoted, which show that the ancients entered the receipts and payments of money on opposite pages, in the way of Debtor and Creditor;† but nothing beyond Single Entry can be inferred from this practice: nor is it probable that any thing more was wanted in the rude and simple state of ancient commerce. Insurances, Bills of Exchange, and other modern improvements demanded, and in all probability produced, corresponding improvements in the mode of keeping Accounts; but that which places the subject in the clearest light is that none of the technical terms‡ of Double Entry are to be found in the ancient languages, but appear to be immediately derived from the Italian, as adopted in the other languages of Europe.§

* See Stevin's Book-keeping, applied to Finance,—also Beckman's Inventions and Discoveries.

† Of these quotations the following may serve as a specimen :

“Huic (*scil.* fortunæ) omnia expensa; huic omnia feruntur accepta; et in tota ratione mortalium sola utramque paginam facit.”—PLIN. Lib. II. Cap. 7.

‡ Snellius, who translated Stevin's Book-keeping into Latin, was obliged to invent new terms; thus he calls Book-keeping, *Apologistica*; the Ledger, *Codex accepti expensisque*; the Waste Book, *Liber Deletitius*; the Stock Account, *Sors*; and the Balance Account, *Epilogismus*, &c.

§ A curious exception occurs in the English word Ledger, formerly spelt *Leager*, *Ledger*, *Leiger*, and *Leger*. The name of this Book in the Italian and other southern languages of Europe, signifies *the Master Book*; in French and Dutch, *the Great Book*; and in German and other northern languages, *the Head Book*. The derivations given

From the nature of Book-keeping conjectures may be formed of its origin. The double purpose of a Bill of Exchange, and the manner of recording the same, might have very naturally suggested the idea of Double Entry: the principle might have been even deduced from the Axioms of Euclid, or the properties of an Algebraic Equation; and it is remarkable that the first European who translated Algebra from the writings of the Arabians, is also supposed to have written the first Treatise of Book-keeping. It was published in the Italian language at Venice, about the year 1495, by Lucas de Burgo, a Friar, who likewise wrote several useful works on Mathematical subjects.*

The first Treatise on Book-keeping in the English language, of which there is any account, was published in London in the year 1543, by Hugh Oldcastle, a Schoolmaster, and it was afterwards re-printed in the year 1588, by John Mellis.†

of *Ledger* in our principal dictionaries are fanciful and contradictory. According to Bailey, it comes from the Latin verb *legere*, to gather; and Dr. Johnson says it is derived from the Dutch verb *legger* (a typographical error for *leggen*) to lie or remain in a place. It may perhaps with equal probability be conjectured that the word is derived from the *Leiger Books* kept in feudal times, for the purpose of recording the Rents, Services, and Duties of Tenants, who were called *Liege-Men*.

* Vers l'an 1495. "Frère Luc, Italien de nation, en fit imprimer un traité en Italien, (c'est le plus ancien Auteur que j'aie vû sur cette matière) il fut suivi par plusieurs Auteurs du même Pays, et par des Francois, qui au commencement du siècle suivant nous en ont donné des Méthodes imprimées. Mais l'ordre embarrassant, et le style long et embrouillé de ces ouvrages, comparés à la netteté et à la brièveté qui sont en usage aujourd'hui, font voir combien l'expérience a poli et abrégé cette Science."—*La Science des Negocians et Teneurs de Livres*, par M. de la Porte, p. 12. Paris, 1753.

† The following curious Title of this Work is preserved in Ames's *Typographical Antiquities*, Vol. II. p. 743.

"A brief instruction and manner how to keepe bookes of accompts after the order of debtor and creditor, and as well for proper accompts partible, &c. by three bookes, named the memoriall, journall, and leager. Newly augmented and set forth by John Mellis, schole-maister of London. Imprinted by him at the Signe of the White Beare, nigh Baynard's Castle, 1588."

In his *Epistle to the Reader*, Mellis says, "And know ye for certaine, that I presume ne vsurpe not to set forth this worke of mine own labour and industrie, for truely I am but the reneuer and reuiuer of an auncient old copie printed here in London the 14 of August 1543."

In 1569 another System of Book-keeping was published in London, by James Peele, who states, in his preface, that “ he “ had instructed many mercantile people in this art, which “ had been long practised in other countries, though then new “ in England.” There is no trace of any other work of the kind until the year 1652, when John Collins, an eminent Accountant and Mathematician, published a large System, entitled “ *An Introduction to Merchants’ Accounts,*” which long served as a Standard Book on the subject.

In 1736, John Mair, a celebrated Schoolmaster at Perth, wrote his popular and well-known work, entitled “ *Book-keeping Methodized;*” which, after passing through three editions, was published, with some alterations, in 1768, under the new title of “ *Book-keeping Modernized;*” These alterations, he says in his preface, “ became necessary, in consequence of the constant “ change and perpetual flux in the forms and fashions of “ Accountship.” But it may be observed, that if this improved edition was modelled after the real practice of the time, the forms and fashions of Merchants’ Accounts must have since undergone great changes also; for persons at present instructed in this Book-keeping only, are, when placed in a London Counting-house, generally found ignorant of what is going forward in every department.

In Mair’s Book-keeping, however, the principles of Double Entry are explained with great perspicuity and correctness; but the System is too elaborate and verbose for school practice: several other publications have since appeared, better adapted to this purpose, though differing but little in arrangement. The most generally approved are those of Dodson, Weston, Donn, Hutton, Hamilton, Gordon, Dowling, and Jackson.

In giving an account of English Writers on Book-keeping, mention should be also made of the following, and nearly in the following order:—Between 1700 and 1736, Snell, Hatton, Malcolm, Miers, Webster, and Stevens;—and since the latter period, Crosby, London, Shortland, Wood, Cook, Sedger, and Dilworth.

It is remarkable that, with a few unimportant exceptions, all the foregoing Authors were Schoolmasters or Teachers: and

though their profession might have rendered them well qualified for explaining the Principles of Book-keeping, it was not likely to afford opportunities of deducing their Theories from Practice. The works themselves evidently show that those writers, in general, followed each other's plans, and took their documents from Printed Books more than from real Business.

A work of a very different description was published in 1789, by Benjamin Booth, a Merchant, who thus observes in his preface:—"It is surprising that in a commercial country like this, there should not be a Treatise on this subject, which, when applied to a large scale of business, can be reduced to Practice. Those I have seen appear to have been written by persons who had not abilities sufficient for the undertaking, or by such as never had an opportunity of bringing their Theories to the test of Experience." This elaborate work, which is evidently the result of experience, contains various examples of judicious arrangement; but it is not elementary, having only a Journal and Ledger. It is, however, the only System of which the Author of the present work has been able to avail himself with any degree of advantage.

Some smaller Tracts have since been written, which likewise deserve commendation, particularly those of Mr. Wicks and Mr. Shires. The latter work is stated to be "the result of thirty years' practical experience." There is much neatness and ingenuity in the arrangement of this performance: but, like Booth's Treatise, it contains only a Journal and Ledger.

In tracing the progress of Italian Book-keeping, something should be said of a rival Method, entitled the *English Book-keeping*, published by Mr. Jones, in 1796; a work chiefly remarkable for the enormous subscription raised on the occasion. A prospectus of this performance was previously circulated, announcing the discovery of an infallible Method of Book-keeping by Single Entry, and at the same time representing the Italian method as delusive and erroneous. By high promises and accredited recommendations, subscriptions (at a guinea each) are said to have been obtained, to the amount of six or seven thousand pounds. The work, however, did not answer the expectations of the public. Several ingenious tracts soon

appeared, defending Double Entry, and exposing the insufficiency of this new System; and one of peculiar merit, written by Mr. Mill, closed the controversy. This gentleman, in order to form a comparative estimate between the English and Italian Methods, arranged Mr. Jones's materials into a Journal and Ledger, by Double Entry; and in the course of the operation detected an essential error:—a detection which completed the triumph of Double Entry.

This English System of Book-keeping, however, contains some useful checks, by different columns in the Day-Book and Journal for entering the Drs. and Crs. separately: and also in the Ledger for inserting the Daily and Monthly Transactions; and though the work has not been well received, it has proved useful to the Public as well as to the Author. Some of the columns have been adopted in Counting-houses, and even by subsequent Writers, and the publication has, besides, given rise to much useful inquiry and investigation on the subject of Merchants' Accounts.

PREFACE CONCLUDED.

FROM the foregoing view of the principal Authors who have written on Book-keeping, it appears that they have been composed of two different descriptions, possessing very distinct qualifications. The first, and by far the most numerous class, were Teachers, who have explained the Principles without advertent to the progressive improvements of Practice: and the second, Merchants, who have exhibited those improvements without explaining the Principles. The productions of both classes of Writers are highly useful; and to combine their utility is the object of the present undertaking.

Thus, the Author's endeavour has been to unite the Elementary instructions of the Schoolmaster with the practical Improvements of the Merchant. In the department of teaching he has had much experience, and he has also had access for many years to the Books of several eminent Merchants—a

privilege which he gratefully acknowledges. With such advantages a more elaborate work than the present might have been expected; but it is chiefly intended for the use of Schools, where large Systems are impracticable: and persons who understand this Tract will soon be able to comprehend the business of any Counting-house. The Writer's purpose is to initiate Youth in Commercial Knowledge—not to teach Merchants, who are generally the best judges of their own concerns, and from whom he himself has received much instruction:—neither does he pretend to any inventions or discoveries, having endeavoured, in all cases, to follow the most approved precedents of mercantile experience.*

* Since the above History of Book-keeping was written (1801) very few new publications have appeared on the subject, and such have been, for the most part, imitations of the present work. Some authors have only altered the names, dates, and sums of money—and even the Title has been pirated. An exception, however, should be made in favour of an original work, published in 1816, by Mr. Cronhelm, which exhibits judicious plans of arrangement, well worthy the attention of Merchants; but it is not arranged for the use of schools.

Numerous works on Book-keeping have been published in other countries—and some of great merit, though not adapted to English practice. The most successful appear to be those of *Gerhart*, of Berlin, 1796; *Gangrange*, of Paris, 1809; and *Isler*, of Brussels, 1810. The latter styles his work, "*Nouvelle Methode Suisse pour Tenir les Livres en Partie Double.*" This Author adopts several of Mr. Jones's columns with advantage.

In his Preface, Mr. Isler gives the names of about 150 Authors on Book-keeping in different parts of Europe, among whom he enumerates 70 in Germany, 25 in France, 7 in Holland, 3 in Italy, and 30 in England.

It is remarkable that in America, where great attention has been paid to Merchants' Accounts, no new work has originated on the subject. Formerly Mair's Bookkeeping was much used there; but of late years the present work has been reprinted in different cities, and is now very generally adopted throughout the United States, and the West Indies.

ADVERTISEMENT

TO THE

TENTH EDITION.

The foregoing Preface, being that which was originally prefixed to this work, contains no account of subsequent Augmentations. It treats of Book-keeping alone, as that was the only subject of the first edition.

The success, however, of the undertaking encouraged the Author to enlarge subsequent Editions, by adding to Merchants' Accounts corresponding branches of commercial science, such as Exchanges and Arbitrations, Shipping Accounts and Averages, Banking Business and other Counting-house Practice, with a Dictionary of Commercial Terms.

Of these additions, the most considerable is "the Article on Exchanges," which was brought out at a period when all previous works on the subject were in a great measure obsolete, owing to the numerous alterations that had been recently made in Foreign Currencies; and as similar changes have been continued, even to the present time, corresponding corrections in every new Edition of the Work have been carefully attended to.

Due attention has been also paid to other alterations in different branches of mercantile practice; either by the addition of new articles or a revision of the old. In short, no pains have been spared to keep pace with modern improvements, so as to render the work a correct and useful compendium of commercial knowledge.

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FOR THE USE OF SCHOOLS

AND THE

CONVENIENCE OF PRIVATE STUDENTS,

RULED Books, adapted to this course of Book-keeping, are prepared and kept constantly on sale by the Publishers. They are made to correspond with the Second and Third Sets, as follows:

SECOND SET,—in two Books, viz.

- 1. *The Waste Book and Journal* }
 - 2. *The Ledger* }
- Price 5s.

THIRD SET, in five Books, viz.

- 1. *The Waste Book and Cash Book* . . }
 - 2. *The Bill Book* }
 - 3. *The Invoice Book and Sales Book* . . }
 - 4. *The Journal* }
 - 5. *The Ledger* }
- Price 12s. 6d.

The above Books are of the best writing Paper ; and may be had together or separately, through the medium of any Bookseller.

DIRECTIONS

FOR

THE STUDY OF THIS WORK.

WHEN the Learner has studied the Introductory Part of this Work, so as to understand the Principles and Rules contained in the first 14 pages, he should copy the Waste Book, p. 8, and thence form the Journal and Ledger himself.

He should proceed in the same manner with the Second Set of Books, copying the Waste Book only, and thence forming the Journal, Ledger, Trial Balance, and General Balance, without any other assistance than occasionally comparing his performance with the Book, or submitting it to his Teacher.

Before the Learner begins the Third Set, he should understand the plan and arrangement (as stated p. 45) and also the Calculations of the Invoice and Sales Books. He should then copy the Waste Book, Bill Book, Invoice, and Sales Books: and from these form the Cash Book himself, according to the Directions, p. 97.—He should next journalise the Waste Book and the Subsidiary Books, in Monthly Divisions, as directed, p. 104;—then post the Journal to the Ledger, according to the Rules, p. 125. Lastly, he should study the Account Current, p. 171, with the Articles that follow on Averages, Shipping Accounts and Partnership Concerns, &c.

The Cash Book, Journal, and Ledger, should be first made out on waste paper; and likewise the Accounts Current, from the Ledger.

The Form, Size, and Ruling of the Books, should correspond with the models of the Work; but it is indifferent whether one or more be contained in the same binding. The Author's practice has been to comprise the whole system of the Third Set in five Books, as stated in the foregoing page (xv).

It greatly facilitates the operations to make the Pages of the written Books agree with those of the printed Copy.

☞ The Study of Exchanges (p. 181) may precede that of Book-keeping; and all the Calculations should be proved by reversing each question. The Chain Rule too ought to be well understood, as being indispensable in the higher operations of Exchange, and in several other Mercantile Computations, such as Arbitrations of Bullion, Coin, and Merchandise.

The last pages of the Work, viz. from 214 to the end, may be studied at first, or at any time, with advantage.

INTRODUCTION :

CONTAINING

THE PRINCIPLES OF BOOK-KEEPING

BOTH BY

SINGLE AND DOUBLE ENTRY.

Definitions, Principles, Rules, and Examples.

BOOK-KEEPING is a Branch of Science, which teaches to record Mercantile Transactions in a regular and systematic manner.

A Merchant's Books should exhibit the true state of his affairs ; they ought to show the particular success of each transaction, as well as the general result of the whole ; and should be so arranged as to afford correct and ready information on every subject for which they may be consulted.

Books may be kept either by Single or Double Entry.

SINGLE ENTRY is chiefly used in Retail Business. It is the most simple and concise method of Book-keeping, but not the most complete, being defective in some essential particulars.

DOUBLE ENTRY is used in Wholesale and Mercantile Affairs, whence it is called Merchants' Accounts. This method is universally preferred in extensive commerce, being the most comprehensive in its principles, and the most certain in its conclusions.

In order to understand the principles of Double Entry, some previous knowledge of Single Entry will be useful, as affording the most obvious and simple illustration of the nature of Debtor and Creditor, and of the application of those terms in the Ledger.

SINGLE ENTRY.

SINGLE ENTRY chiefly records transactions of *Persons* who buy or sell on credit; and for this purpose, two books only are required, called the DAY BOOK and the LEDGER.

The DAY BOOK begins with an account of the owner's property, debts, &c.; then follows a detail of the occurrences of trade, set down in the order of time in which they take place.

The name of the PERSON or CUSTOMER is first written with the term *Dr.* or *Cr.* annexed, according as he becomes *Debtor* or *Creditor* by the transaction; and this may be distinguished by the following general Rule:

The Person who receives is Dr. and the Person who gives or parts with any thing is Cr.

Thus, if I sell goods on credit, I enter *A. B.* (the buyer) *Dr.* to the goods, specifying their quantity and value.

If I buy goods on credit, I enter *C. D.* (the seller) *Cr.* by the goods, specifying their quantity and value.

By the same rule, if I pay money, the person to whom I pay it, is made *Dr.* to Cash, for the amount; and if I receive money, the person from whom I receive it, is made *Cr.* by Cash for the amount.

And if debts be contracted or discharged by any other means, the same rule is observed; the person who becomes indebted to me is entered *Dr.* and the person to whom I become indebted *Cr.*—Also the person whose debt I discharge is made *Dr.*, and he that discharges a debt due by me is *Cr.*

The LEDGER collects together the dispersed accounts of each person in the Day Book, and places the *Drs.* and *Crs.* upon opposite pages of the same folio. The person's name is written in large characters as a title: on the left hand, or first page, he is styled *Dr.* and on the opposite, or right hand page, *Cr.* On these pages the transactions are entered as they stand *Drs.* or *Crs.* in the Day Book. For instance, *A. B.* is debited for whatever he has bought of me; and on the opposite page he is credited for the payments he has made; in short, whatever I have given him is on the *Dr.* side; and what he has given me on the *Cr.*; and the difference between the *Dr.* and *Cr.* sides is called the *Balance.*

A SHORT SPECIMEN OF SINGLE ENTRY.

JANUARY 1, 1832.

Suppose John Smith owes me 100l. which is my sole property, or the Net of my Estate: and suppose on the 2d of January, I buy of him 80 yards of cloth, at 15s. per yard; on the 3d, I sell James Taylor, on credit, 60 yards of the same cloth at 18s. 4d. per yard; and on the 4th, James Taylor pays me in part 40l. Required the Day Book and Ledger of the foregoing transactions, according to Single Entry, and also the Profit or Loss.

DAY BOOK.

	Jan. 1, 1828.			
Folio of Ledger.	John Smith, <i>Dr.</i>	£.	s.	d.
1.	To balance from Ledger A.	100	0	0
	2.			
	John Smith, <i>Cr.</i>			
1.	By Cloth for 80 yards, at 15s. per yard	60	0	0
	3.			
	James Taylor, <i>Dr.</i>			
1.	To Cloth for 60 yards, at 18s. 4d. per yard	55	0	0
	4.			
	James Taylor, <i>Cr.</i>			
1.	By cash received in part	40	0	0

To post the foregoing accounts into the Ledger.

The Ledger being ruled in folio form (according to the following specimen) with the left side for *Dr.* and the right side for *Cr.* also a margin for the date, and, near the money columns, one for reference to the Day Book; proceed as follows:

Open an account for John Smith, and debit him on the left hand page, for 100l.; and for the 2d day's transaction, credit him for 60l. on the opposite page.

For the third day open an account for James Taylor, debiting him for 55l.; and for the 4th day, credit him for 40l.

When every transaction is thus posted, each account is balanced, by subtracting the less sum or side from the greater, and then putting the difference or balance under the smaller sum, by which both sides are made equal.

LEDGER BY

1832.	JOHN SMITH	<i>Dr.</i>	PAGE OF DAYBOOK	£.	s.	d.
Jan. 1.	To Account from Ledger A		3	100	0	0
	<i>JAMES TAYLOR</i>	<i>Dr.</i>				
Jan. 3.	To Cloth, for 60 yards, at 18s.4d. per yard		3	55	0	0

By the above Ledger it appears that the balances are in my favour; and if these be added to the cash I have in hand, and the value of the goods unsold, the sum is the net of my estate or property; which, compared with my original Stock, shows my Profit or Loss. Thus it appears that

	£
John Smith owes me	40
James Taylor owes me	15
I have in Cash	40
I have unsold 20 yards of Cloth, at	} 15
15s. per yard (the prime cost)	

110	The Net of my Estate
100	Stock beginning
<hr/>	
£.10	Gain.

Hence I have cleared 10l. by the sale of 60 yards of cloth at a profit of 3s. 4d. per yard

REMARKS ON SINGLE ENTRY.

From the foregoing example it is plain that by SINGLE ENTRY I cannot tell what goods are unsold, or my profits or losses by my books only, except where the transactions are very few. For as the Ledger contains only the accounts of persons dealing on credit, it affords no other knowledge to the owner, than what debts are due to him, and what he owes.

But

SINGLE ENTRY.

1832.	CONTRA.	Cr.		£.	s.	d.
Jan. 2.	By Cloth, for 80 yards, at 15s. per yard		3	60	0	0
	By Balance			40	0	0
				<hr/>	<hr/>	<hr/>
				100	0	0
<hr/>						
Jan. 4.	By Cash received in part		3	40	0	0
	By Balance			15	0	0
				<hr/>	<hr/>	<hr/>
				55	0	0

But if he wishes to know what goods are on hand, and how much he has gained or lost by the whole or any part of his dealings, he cannot obtain this knowledge by Single Entry without *taking stock*; that is, he must weigh or measure whatever goods are unsold; and their value, added to the cash in hand with the balance of debts, will give the Net of his Estate, which, compared with his original Stock, will show his Profit or Loss.

Hence Book-keeping by Single Entry is essentially defective, as it affords no method of ascertaining the state of a Merchant's affairs, without taking stock—a task which is both laborious and liable to error, and which, at best, affords no adequate means of preventing embezzlement or detecting fraud; but these objects are attained by Double Entry, perhaps as effectually as human ingenuity can devise; for here accounts are opened for goods as well as for persons; and thus the Owner can tell at any time what quantity is or ought to be unsold, by the inspection of his books only, without taking stock.

DOUBLE ENTRY.

In Double Entry, three principal books are required; namely, the *Waste Book*, *Journal*, and *Ledger*.

The WASTE BOOK gives a regular detail of the transactions of business, set down in the order of time in which they take place, and stated in a clear, simple, and circumstantial manner.

The JOURNAL records the same transactions as the Waste Book, but they are differently expressed; for here the *Drs.* and *Crs.* of the various accounts are ascertained, in order to transfer them with more ease to their proper places in the Ledger.

The manner of ascertaining the *Dr.* and *Cr.* of each transaction is the same, in Double, as in Single Entry (Page 2); but in the former, *Things* as well as *Persons*, are made *Drs.* and *Cr.*; and one *Thing* or *Person* is made *Dr.* or *Cr.* to another *Thing* or *Person*.

Thus, if I sell Cloth to *A. B.* on credit, I enter it in the Journal, *A. B. Dr. to Cloth*. If I buy Cloth of *C. D.* on credit, I journalise it *Cloth Dr. to C. D.*; and if I buy or sell for ready money, or barter one kind of goods for another, the following general rule must be observed :

What I receive is Dr. to what I give or part with.

For instance, if I buy cloth for ready money, the Journal entry is *Cloth Dr. to Cash*, and if I sell it for ready money, *Cash Dr. to Cloth*; always specifying the quantity, price, and amount.

When two or more persons or things are included in the same account, they are expressed by the collective term *Sundries* or *Sundry Accounts*; thus, if I sell Cloth for part money, and the rest on credit, I journalise it, *Sundries Drs. to Cloth*; and then specify the particulars. (*See the Notes, pages 106 and 107.*)

The following rules for distinguishing *Dr.* and *Cr.* will apply in all cases.

The PERSON to whom, or for whose account I PAY, or furnish the means of payment—IS DEBTOR.

The PERSON from whom, or for whose account, I RECEIVE, or who furnishes ME with the means of payment—IS CREDITOR.

Every THING which comes into MY possession, or under MY direction—IS DEBTOR.

Every THING which passes out of MY possession, or from under MY direction—IS CREDITOR.

Hence the rule,—“ *In Debtor, Out Creditor.*”*

* The word *Doc* is sometimes used to assist the memory, as being composed of the initials of the above rule—*In Debtor, Out Creditor*.

The following lines may likewise be useful to aid the memory in journalising.

By Journal Laws—what I receive
Is Debtor made to what I give;
Stock for my Debts must Debtor be,
And Creditor by Property;
Profit and Loss Accounts are plain,
I debit Loss, and credit Gain.

The LEDGER collects the scattered items, articles, or transactions from the Journal, and places them under their respective heads, opposing the *Drs.* and *Crs.* of each, on the same principle as in Single Entry; but as accounts are opened here for goods as well as for persons, every account is entered twice, whence this method is called Double Entry.

The accounts of the Ledger are distinguished into three kinds, namely, *Personal*, *Real*, and *Fictitious*.

Personal Accounts are the same in Double as in Single Entry, and every person is therefore debited or credited as he stands *Dr.* or *Cr.* in the Journal.*

Hence every personal account, suppose that of *A. B.*, contains on the *Dr.* side all items or articles, by which he becomes indebted to me, and on the *Cr.* side all items or articles, by which I become indebted to him.

Real Accounts are those opened for merchandize, or any goods or other species of property, such as Cash, Bills, Ships, Houses, &c. Here, as in all other accounts, each transaction is entered on the *Dr.* or *Cr.* side as it stands in the Journal. Thus goods bought are entered on the *Dr.* side; and when these, or any part of them are sold, they are entered on the *Cr.* side; by which the quantity on hand, and the profit or loss on each article may, at any time, be ascertained.

Fictitious Accounts are those of Stock, and Profit and Loss.†

Stock is a term used to represent the name of the merchant or owner of the books. On the *Dr.* side is entered the amount of the debts which he owed when the books were opened; and on the *Cr.* the amount of the cash, goods, debts, or any other property then belonging to him.

Profit and Loss is a general term used for either gain or loss, such as may arise from trade, adventure, interest, commission, or chance of any sort. On the *Dr.* side are entered all transactions of loss; and on the *Cr.* side those of gain.

* In every account, there must be a debit and a credit side; and though the word *Cr.* is not expressed in the Journal, it is understood to follow the word *To*; or *Cr.* may be read for *To*. Thus, if the Journal statement be *Cloth Dr. to A. B.* read *Cloth Dr.—Cr. A. B.* The creditor may be also known by reversing the statement; for if *Cloth be Dr. to A. B.* then is *A. B. Cr. by Cloth.*

† Some authors reckon the Balance among the fictitious accounts; others again

A SHORT EXAMPLE OF DOUBLE ENTRY.

WASTE BOOK. (SET I.)

LONDON, Jan. 1, 1832.		£.	s.	d.
* ✓	John Smith owes me, as per old Account in Ledger A	100	0	0
Jan. 2.				
✓	Bought of John Smith, 80 yards of Cloth, at 15s. per yard, on account	60	0	0
3.				
✓	Sold James Taylor on credit, 60 yards of Cloth, at 18s. 4d. per yard	55	0	0
4.				
✓	Received of James Taylor, in part	40	0	0

JOURNAL. (SET I.)

Folio of Ledger.	LONDON, Jan. 1, 1832.	£.	s.	d.
10	John Smith, Dr. to Stock, £.100† For Balance of old Account	100	0	0
2.				
10	Cloth Dr. to John Smith, £.60 For 80 yards, bought at 15s. per yard	60	0	0
3.				
10	James Taylor, Dr. to Cloth, £.55 For 60 yards, at 18s. 4d. per yard	55	0	0
4.				
10	Cash Dr. to James Taylor, £.40 Received of him, on account	40	0	0

object to the term fictitious as inapplicable, and though the objection may be well founded, yet custom appears to have universally sanctioned and established the word.

*The above short lines or dashes in the margin of the Waste Book, are intended to show that each account has been journalised; and they are sometimes made upon an examination which is called *Pointing the Books*.

† Those short entries of the sum are made in the old systems of Book-keeping, but they are mostly rejected in practice, and are therefore omitted in the subsequent part of this work. In some Counting-houses, however, two money columns are used in the Journal, in order to keep the Dr. and Cr. sums more distinct.

RULES FOR POSTING THE JOURNAL INTO THE LEDGER.

The Ledger being ruled with the *Dr.* side to the left, and the *Cr.* side to the right, (as described P. 3.) let there be a space allotted to the left of each page for the day of the month, and to the right, for the page of the Journal from whence each account is taken. (See the following pages 10 and 11.)*

The accounts are mostly opened in the Ledger, according to the order in which they stand in the Journal; this is not, however, essential to the truth of the work, but it is the most regular method, and the most obvious to learners. The *Stock Account* stands first, and like all other accounts, it is debited or credited as journalised.

Thus *Stock* is *Cr.* by *John Smith*; and for the Second Entry, *John Smith* is *Dr.* to *Stock*: for it should be always remembered that every *Dr.* must have a *Cr.* and every *Cr.* a *Dr.*†

By the same rule the other accounts are entered twice in the Ledger; first, in the direct way, as they stand in the Journal, and then reversed. Thus, the second day's account is posted, *CLOTH Dr. to John Smith*, and then *JOHN SMITH Cr. by Cloth*.

In the same manner the third and fourth days' accounts are posted; *JAMES TAYLOR* being debited to *Cloth*, and *CLOTH* credited by *James Taylor*; *CASH* is next made *Dr.* to *James Taylor*, and *JAMES TAYLOR, Cr. by Cash*.

Here it may be observed, that when an account is once opened in the Ledger, every subsequent transaction which concerns it must be brought back and entered there on the proper side; as an account is seldom opened twice, though it may be transferred for want of room.

* Sometimes another column is ruled to mark that Folio of the Ledger, in which the second entry of the same account is made: in the following short specimen this column is omitted, but in the Second and Third Sets it is adopted. By inserting the page of each Journal account in its corresponding part of the Ledger, and the page of each Ledger account in that part of the Journal from whence it is taken, these two Books serve each as an index to the other; besides which, there is, mostly, an alphabetical Index prefixed to the Ledger, which also gives a reference to every account.

† The word *to* is placed before each Item on the *Dr.* side of the Ledger, and the word *by* before each on the *Cr.* side, agreeably to the manner in which these prepositions are expressed or understood in the Journal; and it may be remarked, that the general practice of Book-keepers is to comprise each entry of the Ledger in one line only, referring for particulars to the Journal, or subsidiary Books.

LEDGER (SET I.)

1832. <i>Stock.</i>		<i>Dr.</i>	PAGE OF JOURNAL.	£.	s.	d.
Jan 4.	To Balance, for the Net of my ESTATE ..			110	0	0
<hr/>						
<i>John Smith</i>		<i>Dr.</i>				
Jan. 1.	To Stock		8	100	0	0
<hr/>						
<i>Cloth</i>		<i>Dr.</i>				
Jan. 2.	To John Smith, 80 yards, at 15s. $\frac{1}{2}$ yard		8	60	0	0
4.	To Profit and Loss			10	0	0
				70	0	0
<hr/>						
<i>James Taylor</i>		<i>Dr.</i>				
Jan. 3.	To Cloth for 60 yards, at 18s. 4d. $\frac{1}{2}$ yard		8	55	0	0
<hr/>						
<i>Cash</i>		<i>Dr.</i>				
Jan . 4.	To James Taylor		8	40	0	0
<hr/>						
<i>Profit and Loss</i>		<i>Dr.</i>				
Jan. 4.	To Stock gained			10	0	0
<hr/>						
<i>Balance</i>		<i>Dr.</i>				
Jan. 4.	To John Smith			40	0	0
	To Cloth			15	0	0
	To James Taylor			15	0	0
	To Cash			40	0	0
				100	0	0

LEDGER (SET I.)

1832.		<i>Per Contra,</i>	<i>Cr.</i>	PAGE OF JOURNAL.	£.	s.	d.
Jan. 1.	By John Smith			8	100	0	0
4.	By Profit and Loss				10	0	0
					110	0	0
Jan. 2.		<i>Per Contra,</i>	<i>Cr.</i>				
	By Cloth			8	60	0	0
4.	By Balance				40	0	0
					100	0	0
Jan. 3.		<i>Per Contra,</i>	<i>Cr.</i>				
	By James Taylor, 60 yards, at 18s. 4d....			8	55	0	0
4.	By Balance, unsold 20 yards, at 15s.				15	0	0
	80				70	0	0
Jan. 4.		<i>Per Contra,</i>	<i>Cr.</i>				
	By Cash			8	40	0	0
—	By Balance				15	0	0
					55	0	0
Jan. 4.		<i>Per Contra,</i>	<i>Cr.</i>				
	By Balance				40	0	0
Jan. 4.		<i>Per Contra,</i>	<i>Cr.</i>				
	By Cloth				10	0	0
Jan. 4.		<i>Per Contra,</i>	<i>Cr.</i>				
	By Stock, for the Net of my Estate				110	0	0

TO MAKE A TRIAL BALANCE.

WHEN every account is posted twice from the Journal into the Ledger, and on opposite or contrary sides, it is evident that all the sums on the *Dr.* side will equal all those on the *Cr.* side.

This trial, or check, is generally made on a separate paper, and it may be performed every day, month, or year, according to the extent of the business. The titles of the Ledger accounts are written under each other, with *Dr.* to the left, and *Cr.* to the right. Annexed to each, on its proper side, is set down the sum of every *Dr.* and *Cr.*; and thus both sides will agree if the posting be right: as in the following example from the preceding Ledger.

TRIAL BALANCE.

Dr.				Cr.		
£.	s.	d.		£.	s.	d.
0	0	0	Stock	100	0	0
100	0	0	John Smith ..	60	0	0
60	0	0	Cloth	55	0	0
55	0	0	James Taylor	40	0	0
40	0	0	Cash	0	0	0
255	0	0		255	0	0

TO MAKE THE GENERAL BALANCE, AND CLOSE THE LEDGER.

THE Journal being all correctly posted, an account must be opened for *Profit and Loss*, and another for *Balance*.* These two accounts, with that of *Stock*, are not to be closed until the others are balanced.

Proceed, therefore, to the second account, where the difference between the *Dr.* and *Cr.* sides appears to be £40; set this sum under the smaller side, making both equal.

This *Balance* or difference being on the *Cr.* side, *John Smith's* account is therefore credited *By Balance*, and on the *Balance*

* These Accounts, like the Trial Balance, are generally first made on loose pieces of paper called the *Balance* and *Profit and Loss* sheets. And it may be likewise observed, that though the Trial Balance proves the posting to be correct, a further proof as well as information becomes necessary, which is obtained by the general Balance of the Ledger, as before exemplified, and further explained in the following pages.

sheet it is entered on the *Dr.* side: for if *John Smith* be *Cr. by Balance*, then is *Balance Dr. to John Smith*.

By this simple method all personal accounts are closed; but in real accounts a double operation is necessary, when any part of the goods remains unsold, as such must be first balanced.

Thus, in the *Cloth* account, the quantities on the *Dr.* and *Cr.* sides must be compared, and their difference set down under the smaller quantity, making both sides equal.

Here the difference is 20 yards, which cost 15*l.*: this sum must be entered on the *Cr.* side of the *Cloth Account*, and then on the *Dr.* side of the *Balance Account*, thus making *Cloth Cr. by Balance*, and *Balance Dr. to Cloth*.

When the goods on the *Dr.* and *Cr.* sides of the *Cloth Account* are balanced, the money columns must be next compared, and their difference shows the *Profit* or *Loss* upon the article. Here the *Cr.* side is 10*l.* more than the *Dr.*; hence *Cloth* is made *Dr. to Profit and Loss* for that sum; and *Profit and Loss Cr. by Cloth* for the same.

James Taylor's Account and that of *Cash* being next balanced as above, proceed to close the fictitious Accounts and to prove the work.

THE PROOF OF BOOK-KEEPING.

The accounts being all balanced, except those of *Stock*, *Profit and Loss*, and *Balance*, let the *Profit and Loss* account be first closed. Here *Profit and Loss* is *Dr. to Stock* for £10 gained, and therefore *Stock* is made *Cr. by Profit and Loss* for the same.

The *Stock* account must be next closed, where the *Balance* appears to be £110. Hence *Stock* is made *Dr. to Balance* for this sum, and the *Balance* account must therefore be made *Cr. by Stock* for the same.

Now if the work be right, both sides of the *Balance* account will be equal; which is the proof of Book-keeping, and which proof necessarily arises from the nature of Double Entry.

The reason of this proof will also appear obvious from the following considerations:

The *Balance* account always contains on the *Dr.* side what *Goods* I have unsold, what *Cash* I have in hand, and what *Debts* are due to me:

And on the *Cr.* side it contains what debts I owe, if any. Therefore the difference between the *Dr.* and *Cr.* sides of the Balance account is the Net of my Estate, or capital.

Now there is another method of finding the Net of my Estate, which is, by adding my profits to, or subtracting my losses from, my original stock; and when this sum is put to the Credit of the Balance account, both sides equal, if the books be correct.

Hence the proof of Book-keeping may be considered as consisting of two methods of ascertaining my property, and these must always agree, if the work be right. If they differ, the books are certainly wrong.*

The converse of this rule, however, does not hold; for the Balance account may close when the work is incorrect—a false statement, for instance, continued on both sides of the Ledger, will not prevent the proof; but there is scarcely a probability that such an error could be continued unobserved; and even intentional misstatements may be prevented by a *Check Ledger*; that is, by having two Ledgers kept by different persons. The general practice is to *examine the books* frequently, which is done by one person reading the Journal, while another inspects the Ledger, in order to see that every account has been regularly posted by Double Entry. It likewise promotes accuracy, to have the books regularly *written up*, so as to make the Journal keep pace with the Waste Book; and the Ledger with the Journal; also to make a Trial Balance frequently, and to ascertain that the amount on each side shall equal that of the Journal, as far as it is posted. This agreement is obviously necessary, and may be seen in pages 8 and 12, where the amount of each (as well as of the Waste Book) is £255.

* This principle and proof of Book-keeping by Double Entry may be thus mathematically demonstrated:

Let S = the Net Stock at opening the Books.

p = the Gain or Loss at closing the Books.

D = the *Dr.* side of the Balance Account.

C = the *Cr.* side of the Balance Account.

Then $S \pm p = N$ = the Net Stock at closing the Books.

and $D - C$ = the Net Stock at closing the Books.

Hence (per Ax. 1. Euclid.) $D - C = N$, and therefore $D = C + N$; that is, the *Dr.* side of the Balance Account should equal the *Cr.* side, added the Net Stock.

THE
SECOND SET OF BOOKS
CONTAINING FURTHER EXAMPLES OF THE
ITALIAN METHOD OF BOOK-KEEPING

BY
DOUBLE ENTRY.*

WASTE BOOK (SET II.)

(1)

LONDON, January 1, 1832.

INVENTORY of the Money, Goods, and Debts, belonging to me A. B. and also of what I owe.			£.	s.	d.	
✓ I have in Ready Money	800	0	0	£.	s.	d.
<i>Bills Receivable, viz.</i>						
<i>Edward Winter, No. 107,</i>	} 350	0	0			
<i>due the 1st of March</i>						
<i>Sugar, 10 Hhds. each 12 Cwt.</i>	} 330	0	0			
<i>at £ 2 15s. & Cwt.</i>						
<i>Henry Holmes owes me</i>	250	0	0			
				1730	0	0
<i>I owe as follows:</i>						
✓ To John Hindon	204	10	0			
To Charles Chambers	125	10	0			
<i>Bills payable, for my Accept-</i>	} 400	0	0			
<i>ance of T. Truby's Bill, due</i>						
<i>Feb. 28</i>				730	0	0
<i>Jan. 2.</i>						
✓ Bought for Ready Money 60 pieces of Linen, each 25 yards, at 3s. 4d. & yard	250	0	0			

* The Learner will find it to his advantage to divide this set of Books into two; that is, to make a Waste Book, Journal, and Ledger, for the transactions of January, and another Set for those of February, adopting the Balance account of the first Set for the Inventory of the Second.

Jan. 3.		£.	s.	d.
✓	Sold for <i>Ready Money</i> 4 Hhds. of <i>Sugar</i> , each 12 Cwt. at 3l. 3s. $\frac{1}{4}$ Cwt.	151	4	0
4.				
✓	Bought of <i>Henry Holmes*</i> 12 Pieces of <i>Cloth</i> , each 25 yards, at 13s. 4d. $\frac{1}{4}$ yard	200	0	0
6.				
✓	Sold <i>John Hindon</i> , 25 Pieces of <i>Linen</i> , at 5l. $\frac{1}{4}$ Piece	125	0	0
7.				
✓	Sold <i>George Ramsay</i> 9 Pieces of <i>Cloth</i> , each 25 yards, at 16s. $\frac{1}{4}$ yard	180	0	0
	Received <i>Ready Money</i> , in part .. 90 0 0			
	The rest to be paid in <i>Two Months</i> 90 0 0	180	0	0
8.				
✓	Bought of <i>James Johnson</i> 80 Pieces of <i>Calico</i> , each 23 yards, at 2s. 9d. $\frac{1}{4}$ yard	253	0	0
	For which I pay in <i>Ready Money</i> 100 0 0			
	The rest at <i>Two Months</i> 153 0 0	253	0	0
9.				
✓	Sold <i>John Jennings</i> the following Goods :			
	10 Pieces of <i>Linen</i> , at 5l. 5s. $\frac{1}{4}$ } 52 10 0			
	piece			
	One Hhd. of <i>Sugar</i> —Wt. 12 } 37 16 0			
	Cwt. at 3l. 3s. per Cwt. }			
	Three Pieces of <i>Cloth</i> , 75 yards, } 58 2 6			
	at 15s. 6d. per yard	148	8	6
	Received in part			
✓	<i>Cash</i>	63	0	0
✓	A <i>Bill</i> on <i>Walton and Co.</i> No. } 50 0 0			
	375, due <i>March 3</i>	113	0	0
10.				
✓	Advanced to <i>John Hindon</i> , on Account	104	10	0
11.				
✓	Drawn upon <i>George Ramsay</i> for the <i>Balance</i> of his Account, at <i>Two Months</i>	90	0	0
13.				
✓	Received for the use of <i>Henry Holmes</i> 2500l. which I have remitted to him, de- ducting $\frac{1}{2}$ $\frac{1}{4}$ Cent. for Commission	12	10	0

* When the name only is thus mentioned, it is understood that the transaction is on credit; but when the time of payment is stipulated, the general practice is to draw or accept a Bill, payable at the proper date.

		£.	s.	d.
Jan. 14.				
Bought of <i>William Bell</i> , the following Goods, to pay at <i>two Months</i> , viz. £. s. d.				
2 Puncheons of Rum, at £50 } each	100	0	0	
12 Hhds. <i>British Spirits</i> , at } £45 φ Hhd	540	0	0	
1 Pipe of <i>Port Wine</i>	75	0	0	
	715	0	0	
✓ Shipped the above Goods on board the <i>Sally</i> , <i>Henry Hunter</i> Master, for <i>Hamburgh</i> , for the Account and Risk of <i>Thomas Martin</i> , Merchant there, as φ Invoice rendered				
Amount of Goods	715	0	0	
Charges of Shipping, &c.....	23	10	0	
Commission, at $2\frac{1}{4}$ φ Cent... ..	18	9	3	
	756	19	3	
15.				
✓ Received a <i>Legacy</i> of	100	0	0	
16.				
✓ Paid <i>William Bell</i> his Debt..	715	0	0	
For which he allowed me two } Months' <i>Discount</i> , at 5 φ Cent. }	5	19	2	
	709	0	10	
17.				
✓ Sold for Ready Money, 30 pieces of <i>Calico</i> , at £3 12s. φ piece	108	0	0	
20.				
✓ Sold <i>James Johuson</i> , 3 Hhds. of <i>Sugar</i> , Wt. 36 Cwt. at £3 8s. 4d. φ cwt.	123	0	0	
22.				
✓ Lost a <i>Bank Note</i> of	20	0	0	
23.				
✓ Received φ the <i>Mermaid</i> , from <i>Hamburgh</i> , 4 Pipes of <i>Olive Oil</i> , to sell for the Account of <i>Thomas Martin</i> .				
✓ Sold <i>John Hindon</i> 2 Pipes of the said <i>Olive Oil</i> , to pay at two Months	68	0	0	
✓ Sold the other two Pipes for Ready Money	64	10	0	
	132	10	0	
Commission on do. at $2\frac{1}{2}$ φ Cent. 3 6 3				
Charges paid at Landing	22	10	0	
	25	16	3	
✓ I owe <i>Thomas Martin</i> , for Nett Proceeds of the <i>Olive Oil</i> , as φ Account Sales, rendered this day	106	13	9	

	£.	s.	d.
Jan. 24.			
✓ Sold Charles Chambers 30 Pieces of Calico, at £4 φ Piece	120	0	0
25.			
✓ Sold Charles Chambers, 1 Hhd. Sugar, Wt. 12 Cwt. at £3 3s. 4d. φ Cwt.....	38	0	0
27.			
✓ Sold for Ready Money 20 pieces of Calico, at £4 φ Piece	80	0	0
28.			
✓ Sold James Johnson, 20 pieces of Linen, 500 yards, at 4s. φ yard	100	0	0
29.			
✓ Discounted E. Winter's Bill.. 350 0 0 Discount allowed by me 1 9 2	348	10	10
30.			
✓ Received by this day's post from <i>Hamburgh</i> , a Bill of Exchange on <i>Raymond & Co.</i> for the Account of <i>Thomas Martin</i> , due March 4	965	10	0
30.			
✓ I have taken up my Bill drawn in favour of <i>T. Truby</i> , of	400	0	0
Discount allowed by him.... 1 16 8	398	3	4
31.			
✓ Paid sundry charges this Month for Rent, &c.	72	10	6
Feb. 2.			
✓ Discounted at the Bank, <i>Thomas Martin's</i> Bill, due March the 4th	965	10	0
Discount for 34 days, at 5 φ Ct. 4 10 0	961	0	0
3.			
✓ Bought of <i>Thomas Fairman</i> , of Manchester, the following Goods :			
No. 1. 56 Pieces of Dimitics, } each 56 yds. at 1s. 8d. φ yd. }	261	6	8
No. 2. 35 Pieces of Muslinets, } each 55 yds. at 1s. 6d. φ yd. }	144	7	6
No. 3. 28 Pieces of Quiltings, } each 35 yds. at 3s. 6d. φ yd. }	171	10	0
5.			
✓ Received from Manchester, <i>Sundry Goods</i> to sell for account of <i>Thomas Fairman</i> , amounting as φ Bill of Parcels to	500	0	0
For which I charge him 2½ per Ct. <i>Commission</i> 12 10 0			
6.			
✓ Bought of <i>James Johnson</i> , 10 Bags of Cotton, amounting as φ Broker's Bill, to.....	354	10	0

		£.	s.	d.
Feb. 7.				
✓	Sent by the Canal to Manchester the said Cotton, directed to <i>Thomas Fairman</i> , for his Account, amounting as follows:			
	<i>Merchandise</i>	354	10	0
	<i>Cash for Charges</i>	4	10	0
	<i>Commission at 2½ Cent.</i>	7	3	7
		366	3	7
9.				
✓	<i>James Johnson</i> has drawn on me at <i>Two Months</i> in favour of <i>Charles Manini</i> , for the balance of his Account, being	284	10	0
11.				
✓	Shipped on board the <i>Triton</i> , <i>Hugh Evans</i> , Master, for <i>Hamburgh</i> , sundry Goods received the 5th from <i>Thomas Fairman</i> , and consigned to <i>Thomas Martin</i> , for his Account and Risk.			
	<i>Merchandise</i> , as B. P.*	500	0	0
	<i>Charges</i>	3	10	0
	<i>Commission</i> , at 2½ Cent.	12	11	9
		516	1	9
12.				
✓	Sold <i>John Jennings</i> , the following <i>Manchester Goods</i> :			
	20 Pieces of <i>Dimities</i> , 1120 Yards, at 2s. ½ Yard	112	0	0
	12 ditto <i>Muslinets</i> , 660 yards at 1s. 10d. ½ Yard	60	10	0
	12 ditto <i>Quiltings</i> , 420 Yards, at 4s. ½ Yard	84	0	0
		256	10	0
14.				
✓	Sold for <i>Ready Money</i> the following <i>Manchester Goods</i> :			
	36 Pieces of <i>Dimities</i> , 2016 Yards, at 2s. ½ Yard	201	12	0
	23 ditto <i>Muslinets</i> , 1265 Yards, at 1s. 10d. ½ Yard	115	19	2
	16 ditto <i>Quiltings</i> , 560 Yards, at 4s. ½ Yard	112	0	0
		429	11	2
15.				
✓	Bought on the Quay, for <i>Ready Money</i> , 7 Pipes of Port, at 70 Guineas ½ Pipe	514	10	0
	Paid Cartage, &c.	2	14	0
		517	4	0

* B. P. signifying Bills of Parcels.

	£.	s.	d.
Feb. 17.---			
✓ Bought of <i>Henry Smith</i> , of Stroud, three Trusses of <i>Scarlet Cloth</i> , containing as follows :			
No. 1. 6 Pieces superfine, each 40 yards $\frac{3}{4}$, at £1 4s. $\frac{1}{2}$ yard	288	0	0
No. 2. 6 ditto second, each 40 yards $\frac{3}{4}$, at 15s. $\frac{1}{2}$ yard	180	0	0
No. 3. 6 ditto Cloakings, each 40 yards $\frac{7}{8}$, at 9s. 6d. $\frac{1}{2}$ yard	114	0	0
	582	0	0
18.---			
✓ Bought for <i>Ready Money</i> , three Bags of <i>Cochineal</i> , each 150 lb. at £1 4s. $\frac{1}{2}$ lb. } Which I have sent to <i>Henry Smith</i> , charging $2\frac{1}{2}$ $\frac{1}{2}$ Cent. Commission }	540	0	0
	13	10	0
21.---			
✓ Sold <i>Scarlet Cloth</i> , for <i>Ready Money</i> , viz.			
3 Pieces superfine, each 40 yards, at £1 8s. $\frac{1}{2}$ yard	168	0	0
3 ditto second, at 17s. 6d. $\frac{1}{2}$ yard	105	0	0
3 do. Cloakings, at 11s. 6d. $\frac{1}{2}$ yd.	69	0	0
	342	0	0
22.---			
✓ <i>John Hindon</i> being declared insolvent, and his creditors having agreed to a composition of 15s. in the pound, I have this day received my dividend, on his debt of 93l. amounting to	69	15	0
24.---			
✓ Drawn on <i>Charles Chambers</i> , at one month, for the balance of his Account, being	32	10	0
27.---			
Sold <i>Henry Rivington</i> 5 Pipes of Port Wine, at 80 guineas $\frac{1}{2}$ Pipe, for which he has given me a <i>Bill</i> on <i>William Read</i> , due May the 1st, of 300l., and his own acceptance for the remainder, at three months	420	0	0
28.---			
✓ Accepted two <i>Bills</i> of 200l. each, drawn by <i>Thomas Fairman</i> , one at two months, and the other at three months	400	0	0
28.---			
✓ Paid sundry expenses this month for Rent, Taxes, House Expenses, &c., not charged to any other account	48	12	0

Remarks on the foregoing WASTE BOOK, with Directions for journalising some particular Accounts.

THE Inventory of Goods, &c. belonging to me, is journalised ; *Sundries Drs. to Stock*, and the particulars then specified: *Stock is next made Dr. to Sundries* for what I owe.

The transactions which follow require no explanation until the 9th, where Sundry Goods are sold to John Jennings, and Sundries received in lieu of them. Accounts of this kind are best journalised by two separate statements : first *debiting* the Buyer to Sundries, and secondly, *crediting* him by Sundries.

On the 11th, I receive a Bill of George Ramsay, for which I give him credit. Thus, *Bills Receivable* are (like any other kind of Property) made *Dr.* to the Person from whom they have been received.—(See Page 58.)

In like manner, *Bills Payable* are made *Cr.* by the Person to whom I pay them, or for whose account I accept them, and consequently he is made *Dr.* to Bills Payable.

When I buy Goods upon Commission, I *debit* my employer for Merchandise, Charges, Commission, &c. all of which are included in the term Sundries. Such is the account of Thomas Martin, supposed to be taken from an Invoice Book.

When Goods are sold upon Commission, the Account may be stated in various Terms, such as *Sales & the Ship* (mentioning her name) *Dr. to Sundries*, viz. to *Charges, Commission*, and to the *Consigner* of the Goods for the net amount, called *Net Proceeds*; and the Person who buys the said Goods, if on credit, is *debited* to Account Sales, as in the transactions of the 23d of January.

The Accounts of Commission, Interest, Legacy, Loss of Money, Charges for Rent, Composition for bad Debts, &c. might be all comprehended in the Profit and Loss Account: the two first are here made separate Articles, which are finally carried to Profit and Loss in the LEDGER; the rest are stated in the Profit and Loss Account in the first instance.

A more full and particular description of Bills, Invoices, Account Sales, &c. will be given in the Third Set of Books.

JOURNAL. (SET II.)

LONDON, January 1, 1832.

		£.	s.	d.
1	<i>Sundries Drs. to Stock</i>	£.	s.	d.
	For the amount of my effects			
1	Cash	800	0	0
1	Bills receivable on E. Winter	350	0	0
2	Sugar, 10 Hhds. each 12 Cwt. at			
	2l. 15s. $\frac{1}{2}$ cwt.	330	0	0
2	Henry Holmes	250	0	0
		1730	0	0
	Do.-----			
1	<i>Stock Dr. to Sundries</i>			
	For the Amount of what I owe			
2	To John Hindon	204	10	0
2	To Charles Chambers	125	10	0
2	To Bills Payable. For Thomas			
	Truby's Bill, accepted by me,			
	due Feb. 28.	400	0	0
		730	0	0
	2.-----			
3	<i>Linen Dr. to Cash</i>			
1	For 60 Pieces, each 25 Yards, at 3s. 4d. $\frac{1}{2}$			
	Yard	250	0	0
	3.-----			
1	<i>Cash Dr. to Sugar</i>			
2	For 4 Hhds. 48 Cwt. at 3l. 3s. $\frac{1}{2}$ Cwt.	151	4	0
	4.-----			
3	<i>Cloth Dr. to Henry Holmes</i>			
2	For 12 Pieces, each 25 Yards, at 13s. 4d.			
	$\frac{1}{2}$ Yard	200	0	0
	6.-----			
2	<i>John Hindon Dr. to Linen</i>			
3	For 25 Pieces, at 5l. $\frac{1}{2}$ Piece	125	0	0
	7.-----			
3	<i>Sundries Drs. to Cloth</i>			
	For 9 Pieces, each 25 Yards, at			
	16s. $\frac{1}{2}$ Yard	180	0	0
1	Cash, for one half	90	0	0
	George Ramsay for the rest ..	90	0	0
		180	0	0

		£.	s.	d.
Jan. 8.				
3	Calico Dr. to Sundries			
	For 80 Pieces, each 23 Yards,			
	at 2s. 9d. $\frac{1}{4}$ Yard	253	0	0
1	To Cash, in part	100	0	0
4	To James Johnson, for the rest,			
	at Two Months*	153	0	0
		253	0	0
9.				
4	John Jennings Dr. to Sundries			
3	To Linen for 10 Pieces, at			
	5l. 5s. $\frac{1}{4}$ Piece	52	10	0
2	To Sugar for 1 Hhd. Wt. 12			
	Cwt. at 3l. 3s. $\frac{1}{4}$ Cwt.	37	16	0
3	To Cloth for 3 Pieces, each 25			
	Yards, at 15s. 6d. $\frac{1}{4}$ Yard	58	2	6
		148	8	6
Do.				
4	Sundries Drs. to John Jennings			
1	Cash	63	0	0
1	Bills Receivable, Walton & Co.			
	due March 3	50	0	0
		113	0	0
10.				
2	John Hindon Dr. to Cash			
1	Paid him on Account	104	10	0
11.				
1	Bills Receivable Dr. to G. Ramsay			
3	For his Acceptance of my Bill, at Two			
	Months	90	0	0
13.				
1	Cash Dr. to Commission			
4	For receiving 2,500l. for Henry Holmes, at			
	$\frac{1}{2}$ $\frac{1}{4}$ Cent	12	10	0
14.				
4	Merchandise Dr. to William Bell			
4	For the following Goods bought of him at			
	Two Months:—			
	Rum, 2 Puncheons, at 50l. each	100	0	0
	12 Hhds, of British Spirits, at			
	45l. $\frac{1}{4}$ Hhd	540	0	0
	Port Wine, 1 Pipe	75	0	0
		715	0	0

* The stipulated time of payment seldom appears in a Merchant's books, the general practice being to draw a bill for the sum.

		£.	s.	d.
-----Jan. 14.-----				
5	<i>Thomas Martin</i> Dr. to <i>Sundries</i> For amount of Goods shipped for his Account on board the <i>Sally, Henry Hunter</i> , Master, for <i>Hamburgh</i> , as p Invoice.			
4	To <i>Merchandise</i>	715	0	0
1	To <i>Cash</i> for changes on <i>Merchandise</i>	23	10	0
4	To <i>Commission</i> at $2\frac{1}{2}$ p Cent.	18	9	3
		756	19	3
-----15.-----				
1	<i>Cash</i> Dr. to <i>Profit and Loss</i> For a <i>Legacy</i> received	100	0	0
-----16.-----				
4	<i>William Bell</i> Dr. to <i>Sundries</i> For the Amount of his Debt paid him			
1	To <i>Cash</i>	709	0	10
5	To <i>Interest</i> for Discount	5	19	2
		715	0	0
-----17.-----				
1	<i>Cash</i> Dr. to <i>Calico</i> For 30 Pieces, at 3l. 12s. p Piece	108	0	0
-----20.-----				
4	<i>James Johnson</i> Dr. to <i>Sugar</i> For 3 Hhds. Wt. 36 Cwt. at 3l. 8s. 4d. p Cwt	123	0	0
-----22.-----				
5	<i>Profit and Loss</i> Dr. to <i>Cash</i> For a <i>Bank Note</i> lost	20	0	0
-----23.-----				
5	<i>Sales</i> p the <i>Mermaid</i> Dr. to <i>Sundries</i> To <i>Cash</i> for Charges on <i>Merchandise</i> , as p Account Sales rendered	22	10	0
4	To <i>Commission</i> on 132l. 10s. at $2\frac{1}{2}$ p Cent.	3	6	3
5	To <i>Thomas Martin</i> for Net Proceeds	106	13	9
		132	10	0
-----Do.-----				
5	<i>Sundries</i> Drs. to <i>Sales</i> p the <i>Mermaid</i> For 4 Pipes of <i>Olive Oil</i> , on Account of <i>Thomas Martin</i>			
2	<i>John Hindon</i> for 2 Pipes, at Two Months	68	0	0
1	<i>Cash</i> for 2 Pipes	64	10	0
		132	10	0

		£.	s.	d.
<u>Jan. 24.</u>				
2	Charles Chambers Dr. to Calico			
3	For 30 Pieces, at £4 $\frac{1}{2}$ Piece	120	0	0
<u>25.</u>				
2	Charles Chambers Dr. to Sugar			
2	For 1 Hhd. Wt. 12 Cwt. at £3 3s. 4d. $\frac{1}{2}$ Cwt.	38	0	0
<u>27.</u>				
1	Cash Dr. to Calico			
3	For 20 Pieces, at £4 $\frac{1}{2}$ Piece	80	0	0
<u>28.</u>				
4	James Johnson Dr. to Linen			
3	For 20 Pieces, 500 Yards, at 4s. $\frac{1}{2}$ Yard ..	100	0	0
<u>29.</u>				
1	Sundries Drs. to Bills Receivable			
	For E. Winter's Bill discounted			
1	Cash received	348	10	10
5	Interest for Discount	1	9	2
		350	0	0
<u>30.</u>				
1	Bills Receivable Dr. to Thomas Martin			
5	For his Bill on Raymond & Co. due March 4.	965	10	0
<u>30.</u>				
2	Bills Payable Dr. to Sundries			
	For Thomas Truby's Bills, discounted			
1	To Cash paid him	398	3	4
5	To Interest for Discount	1	16	8
		400	0	0
<u>31.</u>				
5	Profit and Loss Dr. to Cash			
1	For Rent, &c. paid this Month *	72	10	6
<u>Feb. 2.</u>				
1	Sundries Drs. to Bills Receivable			
	For Thomas Martin's Bill discounted			
1	Cash received	961	0	0
5	Interest for Discount	4	10	0
		965	10	0
<u>3.</u>				
6	Manchester Goods Dr. to Thomas Fairman			
6	For the following bought of him			
No.	1.-56 Ps. Dimities, at 20d. $\frac{1}{2}$ Yd.	261	6	8
	2.-35 do. Muslinets, at 18d. $\frac{1}{2}$ Yd.	144	7	6
	3.-28 do. Quiltings, at 3s. 6d. $\frac{1}{2}$ Yd.	171	10	0
		577	4	2
<u>5.</u>				
4	Merchandise Dr. to Thomas Fairman			
6	For sundry Goods rec. to sell for his acct. .	500	0	0

* When the learner has posted the Articles of the first month of the Ledger, he should make a Trial Balance, whether he they closes the Books or not. (See p. 12.)

		£.	s.	d.
Feb. 5.				
6	Thomas Fairman Dr. to Commission			
4	For my Commission on the above, at 2½ ¢ Cent	12	10	0
6.				
4	Merchandise Dr. to James Johnson			
4	For 10 Bags of Cotton bought of him, amounting, as per Broker's Bill, to	354	10	0
7.				
6	Thomas Fairman Dr. to Sundries			
	For the above Cotton, with Charges			
4	To Merchandise	354	10	0
1	To Cash for Charges	4	10	0
4	To Commission at 2 ¢ Cent	7	3	7
9.				
4	James Johnson Dr. to Bills Payable			
2	For my Acceptance of his Bill, at two Months, in favour of Charles Manini	284	10	0
11.				
5	Thomas Martin Dr. to Sundries			
	For Goods on Account of Thomas Fairman, with charges			
4	To Merchandise	500	0	0
1	To Cash for Charges	3	10	0
4	To Commission, at 2½ ¢ Ct.	12	11	9
12.				
4	John Jennings Dr. to Manchester Goods			
6	For the following sold him			
	20 Ps. each 56 Yds. <i>Dimities</i> , } at 2s. ¢ Yard	112	0	0
	12 do. each 55 Yds. <i>Muslinets</i> , } at 1s. 10d. ¢ Yard	60	10	0
	12 do. each 35 Yds. <i>Quiltings</i> , } at 4s. per Yard	84	0	0
14.				
		256	10	0
1	Cash Dr. to Manchester Goods			
6	For the following sold for Ready Money			
	36 Ps. <i>Dimities</i> , at 2s. ¢ Yard	201	12	0
	23 do. <i>Muslinets</i> , at 1s. 10d. ¢ Yd.	115	19	2
	16 do. <i>Quiltings</i> , at 4s. ¢ Yard	112	0	0
15.				
		429	11	2
6	Port Wine Dr. to Cash			
1	For 7 Pipes, at 70 Guineas ¢ Pipe, with Charges	517	4	0

		£.	s.	d.
Feb. 17.--				
6	Scarlet Cloth Dr. to Henry Smith			
7	For 3 Trusses, each 240 Yards			
	No.			
	1.-6 Ps. <i>Superfine</i> , at £1 4s. $\frac{1}{2}$ Yd.	288	0	0
	2.-6 do. <i>Second</i> , at 15s. $\frac{1}{2}$ Yard	180	0	0
	3.-6 do. <i>Cloakings</i> , at 9s. 6d. $\frac{1}{2}$ Yd.	114	0	0
		582	0	0
-----18.				
7	Henry Smith Dr. to Sundries			
1	To Cash for 3 Bags of <i>Cochineal</i>	540	0	0
	each 150lb. at £1 4s. $\frac{1}{2}$ lb.. }			
4	To <i>Commission</i> , at 2 $\frac{1}{2}$ $\frac{1}{2}$ Cent. . .	13	10	0
		553	10	0
-----21.				
1	Cash Dr. to Scarlet Cloth			
6	For nine Pieces, each 40 Yards			
	No.			
	1.-3 Ps. <i>Superfine</i> , at £1 8s. $\frac{1}{2}$ Yd.	168	0	0
	2.-3 do. <i>Second</i> , at 17s. 6d. $\frac{1}{2}$ Yd.	105	0	0
	3.-3 do. <i>Cloakings</i> , at 11s. 6d. $\frac{1}{2}$ Yd.	69	0	0
		342	0	0
-----22.				
2	Sundries Drs. to John Hindon			
1	Cash for Composition received	69	15	0
5	<i>Profit and Loss</i> , for Loss on his Debt	23	5	0
		93	0	0
-----24.				
1	Bills Receivable Dr. to Charles Chambers			
2	For his Acceptance of my Bill at one Month	32	10	0
-----27.				
1	Bills Receivable Dr. to Port Wine			
6	For 5 Pipes, at £84 $\frac{1}{2}$ Pipe, viz.			
	On William Read, due May 1.	300	0	0
	On Henry Rivington, at three	120	0	0
	Months }			
		420	0	0
-----28.				
6	Thomas Fairman Dr. to Bills Payable			
2	For two Bills Accepted by me, of £200	400	0	0
	each			
-----28.				
5	Profit and Loss Dr. to Cash			
1	For sundry Expenses not charged to any			
	other Account	48	12	0

REMARKS

ON

THE FOLLOWING LEDGER.

THE Ledger opens (as described page 9) by making Stock *Dr.* for all Debts which the Merchant or Owner of the Books owes, and *Cr.* by his effects, and the Debts due to him.

Accounts are then opened for *Cash* and *Bills Receivable*, also for each article of goods, and every person indebted to the Merchant, each of which is made *Dr.* to Stock. Accounts are next opened for his Creditors, who are each *credited* by Stock.

Bills Receivable are (as journalised) *debited* to *Stock*, or to the person from whom they have been received after opening the Books, and *credited* by *Cash* when paid.

Bills Payable are *debited* to *Cash* when paid, and *credited* by *Stock*, or by the Persons on whose Account they have been accepted after opening the Books.

Commission is *credited* by *Cash*, or by the Person who owes for *Commission*, and *debited* to *Profit and Loss*.

Interest is *debited* to what is paid or owing, and *credited* by what is received or what is due; and the difference, like that of *Commission*, is carried to its proper side of the *Profit and Loss Account*.

Merchandise is here a general term for Goods purchased on *Commission*, and charged at the Prime Cost whence the Account balances itself, as *Merchandise* is made *Dr.* to the Persons from whom it is bought, and *Cr.* by the Persons to whom it is sent. And their respective Accounts are debited and credited accordingly.

The Account Sales also balances itself, being supposed the general result of an Account Sales Book, where the particulars have been specified, and all Goods received to sell on *Commission* are disposed of.

INDEX;

OR,

ALPHABETICAL LIST OF THE ACCOUNTS IN THE

LEDGER.

A.	G.	N.
<i>Fol.</i>	<i>Fol.</i>	<i>Fol.</i>
B.	H.	O.
<i>Fol.</i>	<i>Fol.</i>	<i>Fol.</i>
Bills Receivable ..1	Holmes, Henry ....2	
Bills Payable ....2	Hindon, John ....2	
Bell, William ....4		
Balance .....7		
C.	I.	P.
<i>Fol.</i>	<i>Fol.</i>	<i>Fol.</i>
Cash .....1	Johnson, James ..4	Profit and Loss ..5
Chambers, Charles 2	Jennings, John ..4	Port Wine .....6
Cloth .....3	Interest.....5	
Calico .....3		
Commission .....4		
D.	K.	Q.
<i>Fol.</i>	<i>Fol.</i>	<i>Fol.</i>
E.	L.	R.
<i>Fol.</i>	<i>Fol.</i>	<i>Fol.</i>
	Linen .....3	Ramsay, George ..3
F.	M.	S.
<i>Fol.</i>	<i>Fol.</i>	<i>Fol.</i>
Fairman, Thomas 6	Merchandise ....4	Stock .....1
	Martin, Thomas ..5	Sugar .....2
	Manchester Goods 6	Sales of Mermaid ..5
		Scarlet Cloth ... 6
		Smith, Henry ....7

		STOCK,	Dr.	£.	s.	d.
1832	*					
Jan.	1	To Sundries		730	0	0
Feb.	28	To Balance, for the Net of my Estate ..	7	1422	7	6
				<hr/>	<hr/>	<hr/>
				2152	7	6
		CASH,	Dr.			
Jan.	1	To Stock	1	800	0	0
	3	To Sugar	2	151	4	0
	7	To Cloth	3	90	0	0
	9	To John Jennings	4	63	0	0
	13	To Commission	4	12	10	0
	15	To Profit and Loss	5	100	0	0
	17	To Calico	3	108	0	0
	23	To Sales of the Mermaid	5	64	10	0
	27	To Calico	3	80	0	0
	29	To Bills Receivable	1	348	10	10
Feb.	2	To Bills Receivable	1	961	0	0
	14	To Manchester Goods	6	429	11	2
	21	To Scarlet Cloth	6	342	0	0
	22	To John Hindon	2	69	15	0
				<hr/>	<hr/>	<hr/>
				3620	1	0
		BILLS RECEIVABLE,	Dr.			
Jan.	1	To Stock	1	350	0	0
	9	To John Jennings	4	50	0	0
	11	To George Ramsay	3	90	0	0
	30	To Thomas Martin	5	965	10	0
Feb.	24	To Charles Chambers	2	32	10	0
	27	To Port Wine	6	420	0	0
				<hr/>	<hr/>	<hr/>
				1908	0	0
<p>* This column for the dates is here deemed a sufficient reference to the Journal; but in the Third Set of Books, there is an additional column in the Ledger, showing the page of the Journal whence each Account is taken. See Note, p. 128.</p>						

		CONTRA,		<i>Cr.</i> <i>Dr.</i>	£.	s.	d.
1832							
Jan.	1	By <i>Sundries</i>	*	1730	0	0	
Feb.	28	By <i>Profit and Loss</i>	5	422	7	6	
					2152	7	6
		CONTRA,		<i>Cr.</i>			
Jan.	2	By <i>Linen</i>	3	250	0	0	
	8	By <i>Calico</i>	3	100	0	0	
	10	By <i>John Hindon</i>	2	104	10	0	
	14	By <i>Thomas Martin</i>	5	23	10	0	
	16	By <i>William Bell</i>	4	709	0	10	
	22	By <i>Profit and Loss</i>	5	20	0	0	
	23	By <i>Sales of the Mermaid</i>	5	22	10	0	
	30	By <i>Bills Payable</i>	2	398	3	4	
	31	By <i>Profit and Loss</i>	5	72	10	6	
Feb.	7	By <i>Thomas Fairman</i>	6	4	10	0	
	11	By <i>Thomas Martin</i>	5	3	10	0	
	15	By <i>Port Wine</i>	6	517	4	0	
	18	By <i>Henry Smith</i>	7	540	0	0	
	28	By <i>Profit and Loss</i>	5	48	12	0	
	28	By <i>Balance</i>	7	806	0	4	
					3620	1	0
		CONTRA,		<i>Cr.</i>			
Jan.	29	By <i>Sundries</i>		350	0	0	
Feb.	2	By <i>Sundries</i>		965	10	0	
	28	By <i>Balance</i>	7	592	10	0	
					1908	0	0
<p>* This Column shows the folio where the Second Entry of each Account is made in the Ledger; but for the word <i>Sundries</i> there is no referring Figure, as the various Accounts may occupy several folios. This inconvenience must be supplied by turning to the Journal, where references to the Ledger are given.</p>							

		SUGAR,	Dr.	£.	s.	d.
1832						
Jan.	1	To Stock 10 Hhds. 120 Cwt. at £2 15s. } ¢ Cwt.		1	330	0 0
Feb.	28	To Profit and Loss		5	53	0 0
					<hr/>	<hr/>
					383	0 0
<hr/>						
		HENRY HOLMES,	Dr.			
Jan.	1	To Stock		1	250	0 0
<hr/>						
		JOHN HINDON,	Dr.			
	6	To Linen		3	125	0 0
	10	To Cash		1	104	10 0
	23	To Sales of the Mermaid		5	68	0 0
					<hr/>	<hr/>
					297	10 0
<hr/>						
		CHARLES CHAMBERS,	Dr.			
	24	To Calico		3	120	0 0
	25	To Sugar		2	38	0 0
					<hr/>	<hr/>
					158	0 0
<hr/>						
		BILLS PAYABLE,	Dr.			
	30	To Sundries			400	0 0
Feb.	28	To Balance		7	684	10 0
					<hr/>	<hr/>
					1084	10 0

		CONTRA,	Cr.	£.	s.	d.
1832						
Jan.	3	By Cash	4 Hhds. 48 Cwt.	1	151	4 0
	9	By John Jennings, 1 Hhd. 12	—	4	37	16 0
	20	By J. Johnson	3 Hhds. 36 —	4	123	0 0
	25	By C. Chambers ..	1 Hhd. 12 —	2	38	0 0
Feb.	28	By Balance	1 Hhd. 12 —	7	33	0 0
			10 120		383	0 0
<hr/>						
		CONTRA,	Cr.			
Jan.	4	By Cloth .....	.....	3	200	0 0
Feb.	28	By Balance .....	.....	7	50	0 0
					250	0 0
<hr/>						
		CONTRA,	Cr.			
Jan.	1	By Stock .....	.....	1	204	10 0
Feb.	22	By Sundries .....	.....		93	0 0
					297	10 0
<hr/>						
		CONTRA,	Cr.			
Jan.	1	By Stock .....	.....	1	125	10 0
Feb.	24	By Bills Receivable .....	.....	1	32	10 0
					158	0 0
<hr/>						
		CONTRA,	Cr.			
Jan.	1	By Stock .....	.....	1	400	0 0
Feb.	9	By James Johnson .....	.....	4	284	10 0
	28	By Thomas Fairman .....	.....	6	400	0 0
					1084	10 0

		<i>Dr.</i>	£.	s.	d.
1832		LINEN,			
Jan. 2	2	To <i>Cash</i> for 60 Pieces, each 25 Yards, at 3s. 4d. $\frac{1}{4}$ Yard	1	250	0 0
Feb. 28	28	To <i>Profit and Loss</i>	5	48	6 8
				<u>298</u>	<u>6 8</u>
<hr/>					
		<i>Dr.</i>			
Jan. 4	4	To <i>Henry Holmes</i> , 12 Pieces, each 25 Yards, at 13s. 4d. $\frac{1}{4}$ Yard	2	200	0 0
Feb. 28	28	To <i>Profit and Loss</i>	5	38	2 6
				<u>238</u>	<u>2 6</u>
<hr/>					
		<i>Dr.</i>			
Jan. 7	7	To <i>Cloth</i>	3	90	0 0
<hr/>					
		<i>Dr.</i>			
8	8	To <i>Sundries</i> , 80 Pieces, each 23 Yards, at 2s. 9d. $\frac{1}{4}$ Yard		253	0 0
Feb. 28	28	To <i>Profit and Loss</i>	5	55	0 0
				<u>308</u>	<u>0 0</u>

		CONTRA,	Cr.	£.	s.	d.
1832						
Jan.	6	By <i>John Hindon</i> , 25 Ps. at £5 $\frac{1}{2}$ Piece ..	2	125	0	0
	9	By <i>John Jennings</i> , 10 Ps. at £5 5s. $\frac{1}{2}$ Piece	4	52	10	0
	28	By <i>James Johnson</i> , 20 Ps. 500 Yds. 4s. $\frac{1}{2}$ Yd.	4	100	0	0
Feb.	28	By Balance 5 Ps. 125 Yds. at 3s. 4d. $\frac{1}{2}$ Yard	7	20	16	8
		—		298	6	8
		60				
<hr/>						
		CONTRA,	Cr.			
Jan.	7	By <i>Sundries</i> 9 Pieces, at 16s. $\frac{1}{2}$ Yd.		180	0	0
	9	By <i>John Jennings</i> , 3 Pieces, 15s. 6d. $\frac{1}{2}$ Yd.	4	58	2	6
		—		238	2	6
		12				
<hr/>						
		CONTRA,	Cr.			
	11	By <i>Bills Receivable</i>	1	90	0	0
<hr/>						
		CONTRA,	Cr.			
	17	By <i>Cash</i> 30 Pieces, at £3 12s. each	1	108	0	0
	24	By <i>C. Chambers</i> 30 Pieces, at £4 each	2	120	0	0
	27	By <i>Cash</i> 20 Pieces, at £4 each	1	80	0	0
		—		308	0	0
		80				

		JAMES JOHNSON, <i>Dr.</i>		£.	s.	d.
1832						
Jan.	20	To <i>Sugar</i>	2	123	0	0
	28	To <i>Linen</i>	3	100	0	0
Feb.	9	To <i>Bills Payable</i>	2	284	10	0
				<hr/>		
				507	10	0
<hr/>						
		JOHN JENNINGS, <i>Dr.</i>				
Jan.	9	To <i>Sundries</i>		148	8	6
Feb.	12	To <i>Manchester Goods</i>	6	256	10	0
				<hr/>		
				404	18	6
<hr/>						
		COMMISSION, <i>Dr.</i>				
Feb.	28	To <i>Profit and Loss</i>	5	80	0	10
<hr/>						
		MERCHANDISE, <i>Dr.</i>				
Jan.	14	To <i>William Bell</i>	4	715	0	0
Feb.	5	To <i>Thomas Fairman</i>	6	500	0	0
	6	To <i>James Johnson</i>	4	354	10	0
				<hr/>		
				1569	10	0
<hr/>						
		WILLIAM BELL, <i>Dr.</i>				
Jan.	16	To <i>Sundries</i>		715	0	0

		CONTRA,	Cr.	£.	s.	d.
1832						
Jan.	8	By <i>Calico</i>	3	153	0	0
Feb.	6	By <i>Merchandise</i>	4	354	10	0
				<hr/>		
				507	10	0
<hr/>						
		CONTRA,	Cr.			
Jan.	9	By <i>Sundries</i>		113	0	0
Feb.	28	By <i>Balance</i>	7	291	18	6
				<hr/>		
				404	18	6
<hr/>						
		CONTRA,	Cr.			
Jan.	13	By <i>Cash</i>	1	12	10	0
	14	By <i>Thomas Martin</i>	5	18	9	3
	23	By <i>Sales & Mermaid</i>	5	3	6	3
Feb.	5	By <i>Thomas Fairman</i>	6	12	10	0
	7	By <i>Thomas Fairman</i>	6	7	3	7
	11	By <i>Thomas Martin</i>	5	12	11	9
	18	By <i>Henry Smith</i>	7	13	10	0
				<hr/>		
				80	0	10
<hr/>						
		CONTRA,	Cr.			
Jan.	14	By <i>Thomas Martin</i>	5	715	0	0
Feb.	7	By <i>Thomas Fairman</i>	6	354	10	0
	11	By <i>Thomas Martin</i>	5	500	0	0
				<hr/>		
				1569	10	0
<hr/>						
		CONTRA,	Cr.			
Jan.	14	By <i>Merchandise</i>	4	715	0	0

		THOMAS MARTIN,		<i>Dr.</i>		£.	s.	d.
1832								
Jan.	14	To <i>Sundries</i>				756	19	3
Feb.	11	To <i>Sundries</i>				516	1	9
						<hr/>		
						1273	1	0
						<hr/>		
		PROFIT AND LOSS,		<i>Dr.</i>				
Jan.	22	To <i>Cash</i> for a Bank Note lost.....	1	20	0	0	0	0
	31	To <i>Cash</i> for Expenses	1	72	10	6		
Feb.	22	To <i>J. Hindon</i>	2	23	5	0		
	28	To <i>Cash</i> for Expenses	1	48	12	0		
	28	To <i>Stock</i> gained	1	422	7	6		
						<hr/>		
						586	15	0
						<hr/>		
		INTEREST,		<i>Dr.</i>				
Jan.	29	To <i>Bills Receivable</i> for discounting <i>E. Winter's</i> Bill	1	1	9	2		
Feb.	2	To <i>Bills Receivable</i> for discounting <i>T. Martin's</i> Bill	1	4	10	0		
	28	To <i>Profit and Loss</i>	5	1	16	8		
						<hr/>		
						7	15	10
						<hr/>		
		SALES OF THE MERMAID,		<i>Dr.</i>				
Jan.	23	To <i>Sundries</i>		132	10	0		

		CONTRA,	Cr.	£.	s.	d.
1832						
Jan.	23	By <i>Sales of the Mermaid</i>	5	106	13	9
	30	By <i>Bills Receivable</i>	1	965	10	0
Feb.	28	By <i>Balance</i>	7	200	17	3
				1273	1	0
		CONTRA,	Cr.			
Jan.	15	By <i>Cash for a Legacy</i>	1	100	0	0
Feb.	28	By <i>Sugar</i>	2	53	0	0
		By <i>Linen</i>	3	48	6	8
		By <i>Cloth</i>	3	38	2	6
		By <i>Calico</i>	3	55	0	0
		By <i>Commission</i>	4	80	0	10
		By <i>Interest</i>	5	116	8	
		By <i>Manchester Goods</i>	6	108	17	0
		By <i>Port Wine</i>	6	50	11	4
		By <i>Scarlet Cloth</i>	6	51	0	0
				586	15	0
		CONTRA,	Cr.			
Jan.	16	By <i>William Bell</i>	4	519	2	
	3)	By <i>Bills Payable</i>	2	116	8	
				715	10	
		CONTRA,	Cr.			
Jan.	23	By <i>Sundries</i>		132	10	0

		MANCHESTER GOODS,				Dr.		£.	s.	d.
		Dimi- ties.	Musli- nets.	Quilt- ings.	Price.					
						s.	d.	£.	s.	d.
1832										
Feb.	3	To T. Fairman	3136	.....	.....	1	8	261	6	8
		Do.....	.....	1925	.....	1	6	144	7	6
		Do.....	.....	.....	980	3	6	171	10	0
	28	To Profit & Loss	.....	.....	.....			577	4	2
								108	17	0
			3136	1925	980			686	1	2
<hr/>										
		THOMAS FAIRMAN,				Dr.				
	5	To Commission	.....			4	12	10	0	0
	7	To Sundries	.....				366	3	7	
	28	To Bills Payable	.....			2	400	0	0	
	28	To Balance	.....			7	298	10	7	
								1077	4	2
<hr/>										
		PORT WINE,				Dr.				
	15	To Cash for 7 Pipes, at 70 Gs. with Charges	.....			1	517	4	0	
	28	To Profit and Loss	.....			5	50	11	4	
								567	15	4
<hr/>										
		SCARLET CLOTH,				Dr.				
		Super- fine.	Se- cond.	Cloak- ings.	Price.					
						s.	d.	£.	s.	d.
	17	To Henry Smith	240	.....	.....	24	0	288	0	0
		Do.....	.....	240	.....	15	0	180	0	0
		Do.....	.....	.....	240	9	6	114	0	0
	28	To Profit & Loss	.....	.....	.....			582	0	0
								51	0	0
			240	240	240			633	0	0

		<i>Dr.</i>	£.	s.	d.
1832		HENRY SMITH,			
Feb.	18	To <i>Sundries</i>	7	553	10 0
	28	To <i>Balance</i>		28	10 0
				582	0 0
		<i>Dr.</i>			
	28	To <i>Cash</i>	1	806	0 4
		To <i>Bills Receivable</i>	1	592	10 0
		To <i>Sugar</i>	2	33	0 0
		To <i>Henry Holmes</i>	2	50	0 0
		To <i>Linen</i>	3	20	16 8
		To <i>John Jennings</i>	4	291	18 6
		To <i>Thomas Martin</i>	5	200	17 3
		To <i>Port Wine</i>	6	147	15 4
		To <i>Scarlet Cloth</i>	6	291	0 0
				2433	18 1

The difference between the *Dr. and Cr.* sides of the *Balance Account* shows the present Net of my estate to be £1422 7s.6d. which agrees with the sum gained, added to my original Stock. Thus it appears (fol. 5) that my gain is £422 7s.6d. and (fol. 1) my original Stock £1000.

It is proper to observe, that in transferring or bringing down a Personal Account or Balance in the Ledger, it is placed on the reverse side. Thus if, as above, Balance is *Cr.* by Thomas Fairman—Then is Thomas Fairman *Dr.* to Balance brought down.

		CONTRA,	Cr.	£.	s.	d.
1832						
Feb.	17	By <i>Scarlet Cloth</i>	6	582	0	0
<hr/>						
		CONTRA,	Cr.			
28		By <i>Bills Payable</i>	2	684	10	0
		By <i>Thomas Fairman</i>	6	298	10	7
		By <i>Henry Smith</i>	7	28	10	0
		By <i>Stock</i>	1	1422	7	6
				<hr/>		
				2433	18	1
<p>The practice in Counting-houses with respect to placing the <i>Balance</i> and <i>Profit and Loss Accounts</i> is various.</p> <p>Some Book-keepers insert the particulars of these Accounts in the LEDGER, as in the above Specimen; others write them at the end of the JOURNAL, and transfer the sum only of each Account to its proper place in the LEDGER: and this method is found very convenient in extensive busines, where Accounts in the LEDGER may be balanced as the Goods are sold off, which will greatly diminish the labour of the General Balance.</p>						

TRIAL BALANCE.

Dr.

Cr.

£.	s.	d.		£.	s.	d.
730	0	0	Stock	1730	0	0
3620	1	0	Cash	2814	0	8
1908	0	0	Bills Receivable	1315	10	0
330	0	0	Sugar	350	0	0
250	0	0	Henry Holmes	200	0	0
	*		John Hindon	*		
			Charles Chambers			
400	0	0	Bills Payable	1084	10	0
250	0	0	Linen	277	10	0
200	0	0	Cloth	238	2	6
			George Ramsay			
253	0	0	Calico	308	0	0
			James Johnson			
404	18	6	John Jennings	113	0	0
			Commission	80	0	10
			Merchandise			
			William Bell			
1273	1	0	Thomas Martin	1072	3	9
164	7	6	Profit and Loss	100	0	10
5	19	2	Interest	7	15	0
			Sales of the Mermaid			
577	4	2	Manchester Goods	686	1	2
778	13	7	Thomas Fairman	1077	4	2
517	4	0	Port Wine	420	0	0
582	0	0	Scarlet Cloth	342	0	0
553	10	0	Henry Smith	582	0	0
12797	18	11		12797	18	11

* These blanks are left when the *Dr.* and *Cr.* sides of an account are equal.

It has been already shewn (Page 12) that the Trial Balance should be made before the General Balance; and it greatly facilitates the latter operation, to reserve the sums thus added in order to compare them, which will save the trouble of a second edition.

THE
THIRD SET OF BOOKS,
BEING
A SYSTEM OF BOOK-KEEPING,
FOUNDED ON REAL BUSINESS,
AND ARRANGED AFTER
THE IMPROVED FORMS OF MODERN PRACTICE.

A VIEW OF THE PLAN.

THIS System of Book-keeping is performed with a WASTE BOOK JOURNAL, and LEDGER, on the principles of Double Entry, like the foregoing, but it differs in arrangement, for here the WASTE BOOK is divided into a certain number of subsidiary books, each being adapted to a particular kind of business: these are, the

CASH BOOK,	|	INVOICE BOOK, &
BILL BOOK,	|	SALES BOOK.

The CASH BOOK is the Waste Book for all Money paid or received.

The BILL BOOK is the Waste Book for all Bills of Exchange received or accepted.

The INVOICE BOOK is the Waste Book for all goods exported or sent off, whether on Commission, or on the Merchant's own Account.

The SALES BOOK, or Account of Sales Book, is the Waste Book for all Goods imported and sold on Commission.

The WASTE BOOK contains the *Particulars* of such occurrences as could not conveniently be brought under any of the foregoing heads, and it also gives a *general* Account of every transaction, with a reference to the Subsidiary Book, where the particulars are to be found, thus serving as a connective Index and Register.

In the subsidiary Books each Month's occurrences are classed together, and so disposed as greatly to simplify the Journal Entry. But the principal advantage of this arrangement consists in carrying a whole Month's Cash, Bills, Commission, Interest, or Insurance, &c. in one line or sum to the Ledger.

Besides these advantages of simplicity and conciseness, the Subsidiary Books have other important uses as originals. Every Exporter and Importer of Goods upon Commission must have an Invoice and Sales Book, and the Cash and Bill Books are necessary in all departments of Trade and Commerce.

Where Subsidiary Books are kept for every kind of business,* a Waste Book like the present might be dispensed with; though such would be found highly useful, both as an Index and Register. But, in teaching, a book of this kind is essentially necessary, not only as connecting the other Books, and giving a ready reference to each, but as affording a regular history of the business, which the learner should always endeavour to understand and remember.—It is, perhaps, the want of this knowledge that renders the theory of Book-keeping so much more obscure and perplexing than the practice is generally found to be.

* It should be observed that in most Counting-houses Subsidiary Books are kept for every kind of business; and they are varied and multiplied according to the nature or extent of the Concern. Besides the forementioned, the most common are *Books of Insurance* and of *Shipping*.—*Invoice Book Inward*, which is chiefly a copy of the Invoices and Bills of Parcels received.—*Stock Book* or *Merchandise Book*, which records the quantity and price of Goods bought and sold.—Various other Books might be mentioned, the Titles of which are sufficiently explanatory of their uses.—Such as the *Order Book*, *Day Book*, *Memorandum Book*, *Interest Book*, *Debenture Book*, *Petty Cash Book*, &c., all of which should be considered as constituent parts of the *WASTE BOOK*: whence the *JOURNAL* and *LEDGER* are formed—and from the Ledger the *Account Current Book* is abstracted, as explained in page 171.

Systematic arrangement forms an essential object in keeping accounts, though it cannot be considered as any part of the science or principle of Double Entry. The arrangement of Mercantile Books is extremely various, and must, after all, be left to individual contrivance and experience.

The transactions which compose this System have been selected from the books of different Merchants, trading to various parts: it therefore contains a greater variety of business than is generally carried on by any individual. Hence, also, that variety which may be observed in the forms of the Invoices and Sales, and which it is thought proper to retain, that the learner may so far see the diversity of practice which prevails in different Counting-houses.

To render the variety more extensively useful, the transactions have been chosen from different periods; those of the two first months having chiefly occurred in time of peace, and those of the third month in time of war, which will account for the difference in Shipping Charges, Duties, and Premiums of Insurance, Stamps, &c. As all such charges are liable to continual alteration, it is not thought advisable to make any change in them in new editions of this work.

THE WASTE BOOK.

THIS Book opens with an Inventory of the Merchant's Property (supposed to be transcribed from the Balance Account of a former Ledger), after which a general Register or Diary is given of all transactions, in the order of time in which they happened, with a reference to the Subsidiary Books, where such are regularly entered.—The following are the references:

	Page.		Page.
C. B. . . . Cash Book	97	I. B. . . . Invoice Book . . .	64
B. R. . . . Bills Receivable	60	S. B. . . . Sales Book	81
B. P. . . . Bills Payable . .	62		

The figures annexed to these letters in the Waste Book refer to the pages of the Invoice and Sales Books, and to the Number of each Bill: but no figure is given for the Cash Book, the date being deemed a sufficient reference.

WASTE BOOK. (SET III.)

LONDON, January 1, 1832.

The following is an Inventory of my Effects, both Real and Personal, being a List of the Balances in my favour and against me, transferred from LEDGER A. dated the 31st ult.*

	£.	s.	d.
I have in Cash	11700	0	0
Funded Property 4000l. in the 4 th Cents. at 78 $\frac{1}{4}$	3130	0	0
Farm in Kent	1520	0	0
House at Richmond	500	0	0
Household Furniture	750	0	0
Ship <i>Charlotte</i> —my half	3120	0	0
Merchandise, for Balance on hand	2165	10	6
Debentures for Balance due at Custom-house	462	10	0
Bills Receivable, for the following Bills due to me (particulars from former Bill Book.)			
No.	£.	s.	d.
210 On Ramsay & Co. due Jan. 15	520	0	0
424 On Edward Malone	25 400	0	0
235 On ditto	383	10	0
141 On Hamilton & Co. due Feb. 1	312	0	0
253 On Weldon and Co.	15 162	10	0
261 On ditto	24 231	5	0
104 On ditto	28 216	5	0
	2225	10	0
Millman and Son, of <i>Oporto</i> , Balance due ..	572	10	0
Charles Le Coin, <i>Paris</i>	389	15	0
William Lamos, <i>Bilboa</i>	428	12	0
Panton and Abram, <i>Petersburgh</i>	572	19	6
William Chulmley, <i>Hamburgh</i>	310	13	9
Edward Taverton, <i>Amsterdam</i>	216	11	0
William Pemberton, <i>Naples</i>	721	13	5
Wilson and Vanelli, <i>Leghorn</i>	570	2	6
	29356	7	8

* Ledger A. is imaginary—supposed to be that which preceded the present; and this Inventory a mere transcript of the late Balance Account.

I owe as follows :		£.	s.	d.	
Smithson and Co. of London	.....	820	5	0
Wentham and Hull, ditto	.....	716	9	6
Nicholson and Hope, ditto	.....	241	10	0
Peter Bonham, ditto	.....	371	19	2
Horne and Jones, ditto	.....	572	18	9
George Holland, ditto	.....	421	11	6
Wanstead and Gill, Leeds	.....	205	2	0
Henry Stanton, Sheffield	.....	174	11	3
Gibson and Carr, Birmingham	.....	268	11	4
Ashford and Son, Manchester	.....	416	13	5
Winter and West, Jamaica	.....	506	0	0
Hampton and Co. ditto	.....	173	10	0
Edward White, ditto	.....	316	4	0
James Prime, ditto	.....	516	19	0
Edmund Connor, ditto	.....	721	18	0
Richard Broadley ditto	.....	216	9	0
Peter Holmes, Dublin	.....	521	10	0
Wilson and Bell, Dundee	.....	137	5	0
Bills Payable, for the following Bills accepted by me (Particulars from former Bill Book.)					
No.		£.	s.	d.	
213	} drawn by	Charles Mills, due Jan. 12	713	11	0
219		James Harrison26	210	10	6
214		John Gibson26	431	15	9
216		Walter and Hume . .30	610	15	3
218		Thomas Pembroke . .30	105	11	6
215		Henry Barlow .. Feb. 4	410	0	0
217		Patrick Hamilton11	126	0	0
			2608	4	0
			9927	10	11
Amount of Balances in my favour		29356	7	8	
Amount of Balances against me		9927	10	11	
The Net of my Estate*		19428	16	9	

* It is not necessary that the whole of a Merchant's Property or Estate should appear in his Books; it is enough that they contain the Capital which he employs in trade.

----- London, January 1, 1832. -----		
Shipped on board the <i>Neptune</i> , Hen. Marsom, for Naples, <i>Sugar</i> , for the Account of William Pemberton, as \pounds Invoice Book. (See page 65.)*	184	2 0
----- 2. -----		
Accepted a <i>Bill</i> drawn on me by George Holland, as \pounds Bills Payable, No. 1. (p. 62.)	400	0 0
----- 3. -----		
Received by this Day's Post, a <i>Bill</i> from Charles Le Coin, of 1843 Francs 18 Centimes; Ex. at 21 F. 50 C. \pounds £ Ster. as \pounds Bills Receivable, No. 1. (Page 60.)	85	14 7
----- 5. -----		
Paid Henry Barlow's <i>Bill</i> , No. 215, as \pounds Cash Book, dated this day	410	0 0
Received <i>Discount</i> for the same, 30 Days, at 5 \pounds Cent. C. B. (P. 98.)	112	6
----- 12. -----		
Shipped on board the <i>Swan</i> , Charles Mills, for Bilboa, <i>sundry Goods</i> for the Account of William Lamos as \pounds I. B. Page 2, amounting to	677	6 4
Paid Charles Mill's <i>Bill</i> , No. 213, as \pounds C. B.	713	11 0
----- 15. -----		
Received the Amount of Ramsay and Co.'s <i>Bill</i> , No. 210, as \pounds C. B.	520	0 0
Shipped on board the <i>Betsy</i> , Brown, for Leghorn, <i>Lead</i> for the account of Wilson and Vannelli, as \pounds I. B. (Page 3.)	221	19 1
----- 16. -----		
Accepted a <i>Bill</i> of Gibson and Carr, No. 2. B. P.	300	0 0
----- 18. -----		
Bought of Samuel Lightfoot, <i>sundry Goods</i> , amounting, as \pounds Bills of Parcels, to	3050	0 0
----- 19. -----		
Received of William Chulmley, <i>Two Bills</i> , No. 2. and 3. B. R.	582	10 0
----- 21. -----		
Samuel Lightfoot has drawn upon me <i>Two Bills</i> , No. 3. and 4. B. P.	1050	0 0

* Although the Invoice and Sales Books have particular pages, yet a reference to the general page of the Work will be found convenient, but it is not thought necessary to repeat such references. They are marked in parentheses, and need not be copied by the Learner.

London, January 23, 1832.		
Arrived the <i>Nancy</i> , from Oporto, on board of which are <i>Ten Pipes of Port</i> consigned to me by Millman and Son, to sell on their Accounts. S. B. p. 1. (See p. 32.)		
25.		
Received of William Lamos, <i>Three Bills of Exchange</i> , No. 4, 5, and 6, B. R.....	800	0 0
Received <i>Cash</i> for Edward Malone's <i>Bills</i> , No. 424 and 235. C. B.....	783	10 0
26.		
Paid John Gibson's <i>Bill</i> , No. 214. C. B.....	431	15 9
Paid James Harrison's <i>Bill</i> , No. 219. C. B...	210	10 6
27.		
Received of G. Seaford, for <i>Freight</i> on board the ship <i>Charlotte</i> , my Half Share. C. B.....	138	10 0
28.		
Received of William Shepherd, for Produce of <i>Farm</i> in Kent. C. B.....	54	10 0
29.		
Accepted <i>Three Bills</i> drawn by Smithson and Co. No. 5, 6, and 7. B. P.....	820	5 0
30.		
Paid for <i>Repairs</i> on board the ship <i>Charlotte</i> . C. B.	43	15 0
Paid Walter and Hume's <i>Bill</i> , No. 216. C. B.	610	15 3
Paid Thomas Pembroke's <i>Bili</i> , No. 218. C. B.	105	11 6
31.		
Shipped on board the <i>Hope</i> , Stanley, for Jamaica, <i>sundry Goods</i> for <i>sundry Persons</i> , as φ I. B. p. 4. a 10.		
Received this Month, <i>Debentures</i> for <i>sundry Goods</i> , amounting to.....	138	15 0
Received <i>Cash</i> for <i>Debentures</i> this Month. C. B.	195	10 6
Paid <i>sundry Charges</i> this Month for <i>House Expenses</i> . C. B.	68	10 0
All Insurances this Month have been effected with the London Assurance Company, and are unpaid.		

-----London, February 1, 1832.-----		
Received advice from <i>Edward White</i> to insure £3500 on his Account, for Goods & the <i>Faithful</i> , Sullivan, from Jamaica to London, which Insurance I have thus effected at Lloyd's: Nicholson and Hope have written ..£1000 Smithson and Co. ....1000 Peter Bonham .....1000 George Holland 500 at 6 Guineas* & Cent. to return 1½ & Cent. for Convoy and Arrives	220	10 0
1.		
Received of William Pemberton, <i>Two Bills</i> , No. 7 & 8. B. R.....	920	0 0
Received <i>Cash</i> for William Chulmley's <i>Bill</i> , No. 3. C. B.	372	10 0
Received <i>Cash</i> for Hamilton and Co.'s <i>Bill</i> , No. 141. C. B.....	312	0 0
2.		
Received advice from John Biddle, of Grenada, that he has, according to my order, shipped on board the <i>Cumberland</i> , Plunket, 50 Hhds. of <i>Sugar</i> , amounting as & Invoice, to	1260	11 6
This <i>Sugar</i> I have ordered in company with Peter Bonham and George Holland, each ⅓ Share, and who allow me 2½ & Cent. as Managing Partner.		
<i>Insured</i> the above with the London Assurance Company, £1300 at 2½ Guineas & Cent. (p. 118.)	34	2 6
3.		
Received from on board the <i>Swan</i> , from Leghorn, 6 <i>Pipes of Olive Oil</i> , to sell for the Account of Wilson and Vanelli, S. B. p. 2.		
Sold Smithson and Co. <i>Port Wine</i> , S. B. p. 1.	218	1 8
4.		
Sold Henry Clinton <i>Port Wine</i> , S. B. p. 1. ...	139	11 3
Bought 2 <i>Lottery Tickets</i> in Shares, C. B.....	37	10 0
5.		
Paid George Holland's <i>Bill</i> , No. 1. C. B.....	400	0 0
* Insurance Brokers debit their employers for <i>Guineas</i> and credit the Underwriters for <i>Pounds</i> . Thus they get 5 per Cent. on the Premium, besides a return of 12 per Cent. from the Underwriters, on the Annual Balance.		

----- London, February 6, 1832. -----		
Received φ the <i>Dolphin</i> , from Jamaica, <i>Sugar</i> , to sell on Account of Winter & West, S. B. p. 3.		
Received φ ditto, <i>Cottou</i> and <i>Pimento</i> , to sell for the Account of Edward White, S. B. page 4.		
----- 7. -----		
Accepted 4 <i>Bills</i> drawn by Winter and West, No. 8 a 11. B. P.	1700	0 0
----- 8. -----		
Sold Thomas Aveling, 2 <i>Pipes of Olive Oil</i> , S. B. page 2.	65	0 3
----- 9. -----		
Received <i>Cash</i> for William Chulmley's <i>Bill</i> , No. 2. C. B.	210	0 0
----- 11. -----		
Paid Patrick Hamilton's <i>Bill</i> , No. 27. C. B. ..	126	0 0
Received from Panton and Abram, φ the <i>Hannah</i> ; Cole, from Petersburg, 42 Tons of <i>Hemp</i> , for my Account, the whole amounting, as φ Invoice, to 9637 <i>Rubles</i> , 10 <i>Copecks</i> , at 2s. 6d. φ <i>Ruble</i> , which amounts to £1204 12 9		
Paid sundry Charges at landing. C. B. 16 11 3		
----- 12. -----	1221	4 0
----- 14. -----		
Sold Edward Kimpton, 4 <i>Pipes of Olive Oil</i> , on Account of Wilson and Vanelli, S. B. page 2.	132	0 3
----- 14. -----		
Sold Smithson and Co. 12 Hhds. of <i>Sugar</i> , on Account of Winter and West, S. B. page 3.	478	18 7
Accepted 2 <i>Bills</i> drawn by Peter Holmes, No. 12 and 13. B. P.	605	0 0
----- 15. -----		
Received <i>Cash</i> for Weldon and Co.'s <i>Bill</i> , No. 153. C. B.	162	10 0
Paid Gibson and Carr's <i>Bill</i> , No. 2. C. B. ..	300	0 0
Accepted a <i>Bill</i> drawn by Gibson and Carr, No. 14. B. P.	210	0 0
----- 17. -----		
Received <i>Bills</i> from Hampton and Co. Edward White, James Prime, Edmund Connor, and Richard Broadley, No. 9 a 13. B. R.	1457	0 0
----- 18. -----		
Received a <i>Dividend</i> at the Bank, Half Year's Interest on £4000 at 4 φ Cent. C. B.	80	0 0

London, February 19, 1832.		
Sold Horne and Jones 33 Tons of <i>Hemp</i> , at £34 10s. φ Ton, to pay at Two Months	1138	10 0
20.		
Arrived the <i>Cumberland</i> , Plunket, from Grenada, with 50 Hhds. of <i>Sugar</i> , from John Biddle, which I ordered in Company with Peter Bonham and George Holland, amounting, as φ Invoice, to £1260 11 6		
Paid Duty, Freight, &c. C. B.	823	5 6
	2083	17 0
21.		
My <i>Lottery Tickets</i> are drawn <i>Blanks</i> , except one Half Share, C. B.	10	0 0
22.		
Sold Peter Bonham 25 <i>Bales of Cotton</i> , φ <i>Dolphin</i> , S. B. page 4	866	14 0
23.		
Sold <i>Goods</i> to Ashford and Son, amounting, as φ Bill of Parcels, to	564	10 0
24.		
Received <i>Cash</i> for Weldon and Co.'s <i>Bill</i> , No. 261. C. B.	231	5 0
Paid Samuel Lightfoot's <i>Bill</i> , No. 3. C. B.	500	0 0
25.		
Sold George Broker, <i>Sugar</i> (in Company) 50 Hhds. weighing, as φ Account rendered, 607 <i>cwt.</i> 3 <i>qrs.</i> 14 <i>lb.</i> a 80s. φ <i>cwt.</i>	2431	10 0
26.		
Sold Edward Taylor, 50 <i>Bags of Pimento</i> , φ the <i>Dolphin</i> , S. B. page 4	223	4 0
Paid Smithson and Co.'s <i>Bill</i> , No. 5. C. B.	237	10 0
27.		
Paid Henry Stanton, C. B. £174 11 3		
Paid him 3 Months' <i>Interest</i> , C. B. 2 3 7		
	176	14 10
Paid for <i>Household Furniture</i> , C. B.	130	0 0
28.		
Paid for <i>Repairs of House</i> at Richmond, C. B.	42	10 0
Received <i>Cash</i> for Weldon and Co.'s <i>Bill</i> , No. 104. C. B.	216	5 0
Paid sundry <i>Charges</i> this Month for <i>House Expences</i> , C. B.	57	9 6
Paid <i>Rent and Taxes</i> , C. B.	105	12 0

—London, March 1, 1832.—		
Sold £2000 Stock at 79 $\frac{1}{2}$ p Cent.—Commission $\frac{1}{4}$ p Cent. C. B.	1595	0 0
3.		
William Pemberton's Bill, No. 7, £350 on John Day, is this day returned; I have there- fore noted it for Non-payment, and sent it back to William Pemberton, debiting him for the same, with Costs	350	10 0
Paid Smithson and Co.'s Bills, No. 6 & 7. C.B.	582	15 0
4.		
Received p the <i>Martha</i> , from Grenada, <i>Su- gar and Cotton</i> , to sell for the Account of John Biddle, S. B. pages 5 and 6		
6.		
Received the Amount of Charles Le Coin's Bill, No. 1. C. B.	85	14 7
7.		
Received a Letter from Charles Le Coin, in- closing <i>Two Bills</i> , No. 14 & 15, B. R. amounting to £2150, with Directions to honour Mr. John Morris's Bills on his Account for £1600, for which Payment I charge $\frac{1}{2}$ p Cent. Commission.	8	0 0
8.		
Accepted John Morris's Bills for the Account of Charles Le Coin, B. P. No. 15 and 16.	1600	0 0
10.		
Paid Winter and West's Bill, No. 8, C. B. ..	400	0 0
Rec ^d . Cash for W. Pemberton's Bill, No. 8. C.B.	570	0 0
11.		
Received p sundry Ships from Dundee, <i>Osna- burgs</i> , which I have sold to George Holland, for the account of Wilson and Bell. S. B. page 7.		
13.		
Accepted Panton & Abram's Bill, No. 17. B.P.	830	0 0
14.		
Bought of Wentham and Hull, <i>Goods</i> to pay at 2 Months, amounting, as p Bills of Parcels, to	1750	0 0
15.		
Rec ^d . Cash for E. White's Bill, No. 10. C. B.	280	0 0
16.		
Shipped on board the <i>William and Mary</i> , for Hamburgh, <i>Tobacco</i> for the Account of William Chulmley, having first insured the same with the London Assurance Company. I. B. page 10.	261	15 1

-----London, March 17, 1832.-----		
Paid Peter Holmes's <i>Bill</i> , No. 12. C. B.	320	0 0
-----18.-----		
Paid Gibson and Carr's <i>Bill</i> , No. 14. C. B. ..	210	0 0
-----19.-----		
Received <i>Cash</i> for James Prime's <i>Bill</i> , No. 11. C. B.	364	10 0
-----21.-----		
Shipped on board the <i>Nercid</i> , for Leghorn, <i>Pepper</i> , which I have insured with the London Assurance Company, and consigned to Wilson and Vanelli for their Account, I. B. p. 11	214	8 8
-----22.-----		
Received <i>Cash</i> for Hampton and Co.'s <i>Bill</i> , No. 9. C. B.	310	10 0
-----23.-----		
Received of William Shepherd, for the Pro- duce of my <i>Farm</i> in Kent. C. B.	62	10 0
-----24.-----		
Received a Letter from William Chulmley, inclosing a <i>Bill</i> , No. 16, B. R.	560	0 0
Accepted <i>Two Bills</i> , No. 18 & 19, drawn by John Biddle, of Grenada, B. P.	1260	11 6
Drawn upon George Broker, <i>Three Bills</i> , No. 17, 18, & 19, B. R.	2431	10 0
Sold Wentham and Hull, <i>Sugar</i> & the <i>Mar-</i> <i>tha</i> , on Account of John Biddle, S. B. p. 5.	231	18 0
Sold by Public Auction, <i>Cotton</i> & the <i>Martha</i> , on Account of John Biddle, S. B. p. 6. & C. B.	789	2 9
-----25.-----		
Shipped on board the <i>Success</i> , for Dundee, <i>Porter</i> , for the Account of Wilson and Bell, which I have insured with the London Assur- ance Company. I. B. p. 12.	111	8 9
Sold Wanstead and Gill, <i>Goods</i> to pay in Two Months, as & Bill of Parcels.	510	0 0
-----26.-----		
Shipped on board the <i>Ann</i> , for Madeira, <i>Flax</i> , for the Account of Millman and Son, I. B. p. 13.	721	16 9
-----27.-----		
Paid Samuel Lightfoot's <i>Bill</i> , No. 4. C. B. ...	550	0 0
Bought of Horne and Jones, <i>Sundry Goods</i> , at 4 Months, amounting, as & Bill of Parcels, to	254	2 5

London, March 28, 1832.

Received <i>Cash</i> for William Lamos's <i>Bills</i> , No. 4, 5, and 6. C. B.	800	0	0
Accepted Samuel Lightfoot's <i>Bill</i> , No. 20. B. P.	2000	0	0
Arrived the <i>Faithful</i> , Sullivan, from Jamaica ; I therefore debit the Underwriters for $1\frac{1}{2}\%$ Cent. on £3500, according to the Terms of the Policy, and also credit Edward White for the same ...	52	10	0

29.

Bought £3500 <i>Stock</i> in the 3 $\%$ Cents. <i>Re-</i> <i>duced</i> , at $62\frac{1}{4}\%$ Ct. Commission $\frac{1}{8}\%$ Ct. C. B.	2183	2	6
Received from Richard Broadley, an Account Sales of our joint adventure to Jamaica, the Net Proceeds amounting to £1225 10s. for Half of which sum I debit his Account ...	612	15	0

30.

Shipped on board the <i>Sally</i> , for Dublin, <i>Teas</i> , for the Account of Peter Holmes, for which I have paid <i>Ready Money</i> , at the India House, and which I have insured with the London As- surance Company. I. B. p. 14 & C. B.	303	13	0
--	-----	----	---

Received $\%$ the *Hibernia*, from Dublin, *Linen*,
for the Account of Peter Holmes, which I have
sold to George Holland, S. B. p. 8.

31.

Received this Month <i>Debentures</i> amounting to	140	5	0
Received this Month <i>Cash</i> for <i>Debentures</i> . C. B.	135	10	0
Paid <i>House Expenses</i> this Month. C. B.	50	19	7
Paid sundry <i>Charges</i> on <i>Merchandise</i> , not posted to any other Account. C. B.	79	10	6

END OF THE WASTE BOOK.

THE
SUBSIDIARY BOOKS;

COMPREHENDING

THE BILL BOOK, INVOICE BOOK, SALES BOOK, AND
CASH BOOK.

THE BILL BOOK.

The **BILL BOOK** is an Index or Register of Bills of Exchange, whether *Receivable* or *Payable*.

BILLS RECEIVABLE are those which the Merchant receives in Payment of some Debt or Contract—and **BILLS PAYABLE** are such as are drawn upon him, and which he must pay when due.

When Bills Receivable come to hand, the particulars are entered in their respective Columns of the Bill Book; and the particulars of Bills Payable are likewise inserted in their proper Columns, when advice is received of their having been drawn or when they are left for acceptance.

The use of the Bill Book will be understood by observing how the two following Bills are entered.

*Copy of the Bill, received by me of Charles le Coin, and entered
in Bills Receivable, p. 60 and 61.**

Paris, Dec. 9th, 1831.

£85 14 7

Two Months after Sight pay to the Order of
Mr. William Bing, One Thousand Eight Hundred and Forty-
three Francs, Eighteen Centimes; Exchange at 21 Francs, 50
Centimes, p £ Sterling, for value received.

*Accepted Jan. 3, 1832,
J. Carr.*

Mr. John Carr,
London.

H. JONES.

*Copy of the Bill drawn on me by George Holland, and entered in
Bills Payable, p. 62 and 63.*

£400 0 0

London, Jan. 2, 1832.

Thirty-one days after Date, pay to Mr. George
Binns, or Order, Four Hundred Pounds, for value received.

*Accepted,
A. B.*

To Mr. A. B.
London.

GEORGE HOLLAND.

* For a more particular description of Bills of Exchange, see the Appendix on
Exchanges—page 181.

Bills Receivable

Page of Journal.	No.	When Received.	From whom Received.	By whom drawn, and Place.		On whom drawn, and where.	
4	1	January 3	Charles Le Coin	Jones	Paris	Carr	London
4	2	Ditto 19	Wm. Chulmley	Bish	Hull	Hall	Ditto
4	3	Ditto 19	Ditto	Ord	Petersburgh	Fox	Bristol
4	4	Ditto 25	Wm. Lamos	Pope	Bilboa	Grey	Ditto
4	5	Ditto 25	Ditto	Fry	Ditto	Hood	London
4	6	Ditto 25	Ditto	Hill	Ditto	Cox	Ditto

Bills Receivable

Page of Journal.	No.	When Received.	From whom Received.	By whom drawn, and Place.		On whom drawn, and where.	
9	7	February 1	W. Pemberton	Bell	Naples	Day	London
9	8	Ditto 1	Ditto	Vint	Ditto	Holt	Bristol
9	9	Ditto 17	Hampton & Co.	Quin	Jamaica	Horne	London
9	10	Ditto 17	Edward White	Howe	Ditto	Tooke	Ditto
8	11	Ditto 17	James Prime	Jervis	Ditto	Pitt	Ditto
9	12	Ditto 17	Edmund Connor	Sydney	Ditto	Shaw	Ditto
9	13	Ditto 17	Rich. Broadley	Smith	Ditto	Hind	Ditto

Bills Receivable

Page of Journal.	No.	When Received.	From whom Received.	By whom drawn, and Place.		On whom drawn, and where.	
15	14	March 7	Charles Le Coin	Watts	Lyons	Sims	London
15	15	Ditto 7	Ditto	Hunts	Ditto	Cook	Ditto
15	16	Ditto 24	W. Chulmley	Turk	Hamburgh	Hibbs	Paris
15	17	Ditto 24	George Broker	Hoare	Barbadoes	Long	Genoa
15	18	Ditto 24	Ditto	Ball	Ditto	Lee	Manchester
15	19	Ditto 24	Ditto	Briant	Ditto	Side	Lyons

for January, 1832.

Date.	To whom Payable.	Time.	Due.	Sum.		
Dec. 9	William Bing	2 Months sight	March 6	85	14	7
Jan. 5	Charles Hume	31 Days sight	Feb. 22	210	0	0
Nov. 9	George Ellis	21 Days sight	Feb. 12	372	10	0
Jan. 2	Edward Ingram	2 Months sight	March 28	250	0	0
Jan. 2	Horner and Scott	2 Months sight	March 28	310	0	0
Jan. 2	White and Croker	2 Months sight	March 28	240	0	0

for February, 1832.

Date.	To whom Payable.	Time.	Due.	Sum.		
Dec. 4	George Crew	1 Month sight	March 3	350	0	0
Dec. 7	Hutchins and Co.	3 Months date	March 10	570	0	0
Dec. 1	William Ravis	1 Month sight	March 20	310	10	0
Dec. 4	Thomas Day	21 Days sight	March 13	280	0	0
Dec. 5	David Sells	31 Days sight	March 23	364	10	0
Dec. 4	John Spry	2 Months sight	April 20	328	0	0
Dec. 4	G. Yates	2 Months sight	April 20	174	0	0

for March, 1832.

Date.	To whom Payable.	Time.	Due.	Sum.		
March 7	Henry Græme	1 Month date	April 10	1000	0	0
March 7	Ditto	2 Months date	May 10	1150	0	0
March 24	Isaac Moss	1 Month date	April 27	560	0	0
March 24	William Payler	1 Month date	April 27	241	10	0
March 24	William Wilson	2 Months date	May 27	1000	0	0
March 24	Thomas Larkey	3 Months date	June 27	1190	0	0

Bills Payable

Page of Journal.	No.	By whom Drawn, and Place.		Date.	To whom Payable.
4	1	George Holland	London	Jan. 2	George Binns
4	2	Gibson and Carr	Birmingham	Jan. 12	Alfred Simpson
4	3	Samuel Lightfoot	London	Jan. 21	John Andrews
4	4	Ditto	London	Jan. 24	Ellis and Co.
4	5	Smithson & Co.	London	Jan. 28	George Ramsay
4	6	Ditto	London	Jan. 28	Henry Watts
4	7	Ditto	London	Jan. 28	Wright and Hull

Bills Payable

Page of Journal.	No.	By whom Drawn, and Place.		Date.	To whom Payable.
9	8	Winter and West	Jamaica	Nov. 1	Walter Stubbs
9	9	Ditto	Ditto	Nov. 1	Hurrie and Sells
9	10	Ditto	Ditto	Nov. 1	Edward Horne
9	11	Ditto	Ditto	Nov. 1	Winter and Harris
9	12	Peter Holmes	Dublin	Feb. 9	Robert Nicholson
9	13	Ditto	Ditto	Feb. 9	George Spinner
9	14	Gibson and Carr	Birmingham	Feb. 15	Edward Wood

Bills Payable

Page of Journal.	No.	By whom Drawn, and Place.		Date.	To whom Payable.
15	15	Charles Le Coin	Paris	Feb. 8	J. Shipley
15	16	Ditto	Ditto	Feb. 8	John Morris
15	17	Panton and Abram	Petersburgh	Feb. 13	Richard Yates
15	18	John Biddle	Grenada	Feb. 24	John Gilbert
15	19	Ditto	Ditto	Feb. 24	John Wilkinson
15	20	Samuel Lightfoot	London	March 28	Edmund Vallance

for January, 1832.

Time.	Accepted.	Due.	Sum.	To whom paid, and when.
31 Days date	Jan. 2	Feb. 5	400 0 0	Clerk of the Bank Feb. 5
31 Days date	Jan. 16	Feb. 15	300 0 0	John Stubbs Feb. 15
31 Days date	Jan. 21	Feb. 24	500 0 0	D. Lindo Feb. 24
2 Months date	Jan. 24	March 27	550 0 0	William Hoare March 27
21 Days date	Jan. 29	Feb. 26	237 10 0	Henry James Feb. 26
31 Days date	Jan. 29	March 3	310 10 0	John Sills March 3
31 Days date	Jan. 29	March 3	272 5 0	Samuel Binns March 3

for February, 1832.

Time.	Accepted.	Due.	Sum.	To whom paid, and when.
1 Month sight	Feb. 7	March 10	400 0 0	Milford and Co. March 10
2 Months sight	Feb. 7	April 10	400 0 0	
2 Months sight	Feb. 7	April 10	500 0 0	
3 Months sight	Feb. 7	May 10	400 0 0	
1 Month sight	Feb. 14	March 17	320 0 0	J. King March 17
2 Months date	Feb. 14	April 12	285 0 0	
1 Month date	Feb. 15	March 18	210 0 0	W. Hull March 18

for March, 1832.

Time.	Accepted.	Due.	Sum.	To whom paid, and when.
2 Months sight	March 8	May 11	1000 0 0	
2 Months sight	March 8	May 11	600 0 0	
6 Weeks sight	March 13	April 27	830 0 0	
2 Months sight	March 24	May 27	1200 0 0	
40 Days sight	March 24	May 6	60 11 6	
1 Month date	March 28	May 1	2000 0 0	

* These columns are blank, as the Books were closed before the Bills became due.

THE INVOICE BOOK.

AN Invoice is a Paper sent off with Goods exported on Commission, or for the shipper's own account. The Preamble generally contains the name of the Ship, Master, Place of Destination, and of the Person to whom the consignment is made.

An Account is next given of the Quantity and Amount of the Goods, and if sent on commission they are generally charged at the *boná fide* Prime Cost. The tradesmen's Bills of Parcels are either copied or sent with the Invoices, and referred to. The shipping Charges are added to the value of the Goods, and upon this sum the Agent or Factor mostly charges his Commission. When he insures the Goods he has also a small Commission on the Capital insured, which Capital is allowed to be something more than the value of the Risk, in order to cover the amount of the Premium, and other Expenses, in case of loss; 10 per Cent. is considered a fair addition to the value of the Capital to be insured.

The Cost of Insurance generally concludes the Invoice, and the Agent or Shipper signs his name at the bottom of the Copy which he sends, with the words *Errors excepted*; the signature, however, does not appear in the Book.

The *Invoice Book*, which contains the copies of all Invoices sent off, is sometimes called the Invoice Book Outward, to distinguish it from the Invoice Book Inward, which contains copies of Invoices received from abroad. But this Book may be dispensed with, by preserving the originals, either filed, or in pigeon-holes, or pasted in a Blank Book made for the purpose.

Invoices of Goods, received to be sold on Commission, are generally copied into the Account Sales Book, to which all the usual Charges are added.

Invoice of Sugar shipped on Board the Neptune, Henry Marson, Master, for Naples, by Order of William Pemberton, Merchant there, for his Account and Risk, and to him consigned.

London, Jan. 1, 1832.

W. P. No. 1 a 4.	No.	∞	∞			
	1. Gross	9	1 20	Tare	1 1 11	
	2. —	9	0 25	—	1 0 27	
	3. —	9	2 17	—	1 1 0	
	4. —	9	1 26	—	1 1 2	
	Gross	37	3 4		5 0 12	
	Tare	5	0 12			
	Neat	32	2 20	at £5. 3s. $\frac{1}{4}$ Cent.	....	168 5 10
	CHARGES.					
	Debenture Entry	.....	4	19	0	
	Cost of Hogsheads	.....	1	12	6	
	Cartage, Wharfage, Lighterage, and Bills of Lading	.....	1	4	6	
						7 16 0
	Commission on £176. 1s. 10d. at $2\frac{1}{4}$ $\frac{1}{4}$ Cent.		3	19	2	
	Premium of Insurance on £190 at $1\frac{1}{2}$		2	17	0	
	Policy Duty	.....	0	5	0	
	Commission, $\frac{1}{2}$ $\frac{1}{4}$ Cent.		0	19	0	
						4 1 0
						184 2 0
	Drawback* allowed at the Custom House ..		40	4	0	
	<i>Ent^d. Jour. P. 5.—(See P. 110.)</i>		143	18	0	

* When an Agent or Shipper of Goods on Commission, charges what is called the *Long Price*, he deducts the Drawback from the Amount of the Invoice, or gives his Correspondent credit for the same when he receives it.

But when the Shipper only charges the *Short Price*, he keeps the Debentures or Drawbacks to himself.

*Invoice of sundry Goods shipped on Board the Swan,
Charles Mills, Master, for Bilboa, by Order of Wil-
liam Lamos, Merchant there, for his Account and
Risk, and to him consigned.*

London, Jan. 12, 1832.

W. L. 1 a 13	No.				
	1. 8 Bags of Pepper, containing	} 107 12 9			
	^a lb.				
	8. neat 1896 at 13 $\frac{2}{3}$ d φ lb ..	} 127 3 4			
	9. 1 Bale, containing 28 Pieces of Printed Calicoes, <i>qt.</i> 763 yards, at 3s. 4d. φ yard ..				
	10. 1 Bale, containing 19 Pieces of Bengal Muslins, amount- ing, as φ B. P.*	} 167 8 9			
	11. 3 Bales of Irish Linen,				
	^a 13. amounting as φ B. P. ..	} 233 15 0			
			635	19 10	
		CHARGES.			
		Paid for Packing, Cartage, Wharfage, and Lighterage ..	} 5 5 6		
		Entry Bond, Bills of Lading, and other Charges		} 5 8 2	
			10 13 8		
	Commission on £646. 13s. 6d. 2 $\frac{1}{2}$ φ Cent.		16 3 4		
	Premium of Insurance on £680 at 1 $\frac{1}{2}$ φ Cent.	} 10 4 0			
	Stamp Duty at 2s. 6d. φ Ct... 0 17 6				
	Commission $\frac{1}{2}$ φ Cent	} 3 8 0			
				14 9 6	
	<i>Ent^d. Jour. P. 5. (110.)</i>		677 6 4		

* B. P. mean *Bill of Parcels.*

Invoice of Lead on Board the Betsy, James Brown, Master, for Leghorn, by Order, and for Account of Wilson and Vanelli, and to them consigned.*

London, Jan. 15, 1832.

W.&V.	200 Pigs, weighing 224 cwt. 3 qrs. at £18. 10s. $\frac{1}{4}$ Fodder	213	4	5
CHARGES.				
	Bills of Lading	0	2	6
	Commission $1\frac{3}{4}$ $\frac{1}{4}$ Cent.	3	14	8
	Premium of Insurance on £225 } at $1\frac{1}{2}$ $\frac{1}{4}$ Cent.	3	7	6
	Stamp Duty	0	7	6
	Commission, $\frac{1}{2}$ $\frac{1}{4}$ Cent. ..	1	2	6
		4 17 6		
		221 19 1		

Ent^d. Jour. P. 5. (110.)

* It is customary to sell Goods delivered on Board the Ship, and then the Invoice is distinguished by the words *on Board* instead of *shipped on Board*. If the articles thus sold are Debenture Goods, the Seller keeps the Debentures to himself, and receives the Bounty or Drawback when it becomes due.

Invoice of sundry Goods shipped on Board the Hope, Henry Stanley, Master, for Jamaica, by Order of Winter and West, Merchants there, for their Account and Risk, and to them consigned.

London, Jan. 31, 1832.

W&W	/					
1 a 4	4	Hhds. of Ironmongery, as \mathcal{P} } 100 15 7 B.P.				
5 a 11	7	Chests ditto, \mathcal{P} ditto 71 10 0				
12 & 13	2	Bundles \mathcal{P} ditto 50 10 0				
14	1	Case of Hats, \mathcal{P} ditto 21 8 6				
15 & 16	2	Casks of Saddles, \mathcal{P} ditto 18 9 1				
17 a 19	3	Puncheons Hams, } \mathcal{P} ditto ..112 16 7				
20 a 22	3	Ditto Tongues, }				
						375 9 9
CHARGES.						
		* Cartage and Wharfage 1 3 5				
		Sundry Shipping Charges 2 16 0				3 19 5
		Commission, $2\frac{1}{2}\mathcal{P}$ Cent. 9 9 8				
		Insurance on £410, at $3\mathcal{P}$ Ct. 12 6 0				
		Stamp Duty 0 12 6				
		Commission $\frac{1}{2}\mathcal{P}$ Cent. 2 1 0				14 19 6
						403 18 4
<i>Ent^a. Jour. P. 6. (111.)</i>						
<p>* The general custom is to pay the Freight in London: this, and other Shipping Charges, are occasionally settled by a Committee of West India Merchants.</p>						

Invoice of Sundries shipped on Board the Hope, Henry Stanley, Master, for Jamaica, by Order and for Account of Hampton and Co. and to them consigned.

London, Jan. 31, 1832.

H. & C.				
1 a 45				
1 a 20	20 Boxes containing 88 Dozen, 4 lb. Mould Candles, at	} 42 13 10		
	9s. 8d. $\frac{1}{4}$ Dozen			
21 a 30	10 Ditto, 49 Dozen, 5 lb. dipt	} 21 8 3		
	ditto, at 8s. 8d. $\frac{1}{4}$ Dozen			
	30 Boxes, at 2s.	3 0 0		
			67 2 1	
31 a 40	10 Boxes, 5 cwt. White Soap, at	} 21 10 0		
	86s. $\frac{1}{4}$ cwt.			
	10 Boxes, at 1s. 6d. each	0 15 0		
	Bond to recover drawback	0 18 0		
		23 3 0		
	Drawback	5 5 0		
			17 18 0	
41 & 42	2 Puncheons Refined Sugar	} $\frac{1}{4}$ inclosed	85 1 11	
43 a 45	3 Chests of Tea			} B. P.
			170 2 0	
	CHARGES.			
	Paid for Cartage, Lighterage,	} 2 19 6		
	and Wharfage			
	Entry Bond, Shipping Charges,	} 4 13 0		
	and Bills of Lading			
			7 12 6	
	Commission, $2\frac{1}{4}$ $\frac{1}{4}$ Cent.		4 8 10	
	Premium of Insurance on £190,	} 5 14 0		
	at 3 $\frac{1}{4}$ Cent.			
	Stamp Duty	0 5 0		
	Commission, $\frac{1}{4}$ $\frac{1}{4}$ Cent.	0 19 0		
			6 18 0	
			189 1 4	

*Invoice of sundry Goods shipped on Board the Hope,
Henry Stanley, Master, for Jamaica, by Order of
Edward White, Merchant there, for his Account and
Risk, and to him consigned.*

London, Jan. 31, 1832.

E. W.	100 Bundles, containing 5 M. Long Wood Hoops, at 110s. p M.	} 27 10 0		
	6 Sheets of Lead as p inclosed B. P.	} 78 19 8		
	20 Puncheons, containing 35 quarters of Oats, at 29s.	} 50 15 0		
	20 Puncheons, at 25s. 6d.	} 25 10 0		
	6 Cables } as p inclosed 26 Coils of } B. P. }	} 287 9 0		
	Rope }			
	3 Puncheons of Hops, as p ditto	} 137 18 10		
			608	2 6
	CHARGES.			
	Paid for Cartage, Wharfage, and Lighterage	} 2 16 6		
	Shipping Charges and Bills of Lading	} 2 8 6		
			5	5 0
	Commission, $2\frac{1}{2}$ p Cent ..		15	6 8
	To Premium of Insurance on $\text{£}650$, at 3 p Cent	} 19 10 0		
	Stamp Duty	} 0 17 6		
	Commission, $\frac{1}{2}$ p Cent.	} 3 5 0		
			23	12 6
			652	6 8

Invoice of sundry Goods shipped on Board the Hope, Henry Stanley, Master, for Jamaica, by Order and for Account of James Prime, and to him consigned.

London, Jan. 31, 1832.

J. P.					
1 a 37					
1 a 9	9 Puncheons of Bedding, as } ☞ B. P.	157	1	6	
10 a 21	12 Bales, containing each 10 } Pieces freized Negro Blan- } keting, at 24s. ☞ Piece.. } Canvas, Cord, &c.	144	0	0	
22 a 3i	10 Casks, containing each 4 } Dozen Check Shirts, at } 48s. per Dozen	96	0	0	
	Casks	2	10	0	
32 a 35	4 Bales, containing 240 Piec' } of Company's Nankeens, } at 11s. 6d. ☞ Piece }	138	0	0	
36 & 37	2 Bales of Irish Sheeting, } amounting, ☞ inclosed } B. P.	63	17	0	
					603 13 6
	CHARGES.				
	Paid for Cartage, Wharfage, } and Lighterage	2	16	5	
	Bond of Entry, Bills of Lading, } and Shipping Charges .. }	6	12	9	
					9 9 2
	Commission, 2½ ☞ Cent.....				15 6 6
	Premium of Insurance on } £650, at 3 ☞ Cent. }	19	10	0	
	Stamp Duty	0	17	6	
	Commission, ½ ☞ Cent.	3	5	0	
					23 12 6
					652 1 8
	Ent ^d Jour. P. 6. (111.)				

Invoice of Sundries shipped on Board the Hope, Henry Stanley, Master, for Jamaica, for the Account and Risk of Edmund Connor, and to him consigned.

London, Jan. 31, 1832.

E. C.				
1	1 Hhd. containing 310 Men's Indigo Blue Jackets, at 84d.	108	10	0
	Hhd. 20s. Waterage, 1s. 6d.	1	1	6
		103	11	6
2	72 Pieces Dundee Cotton Bagging, 4392 yards, at 12½d.	228	15	0
	Wrapper and Cordage	1	10	0
		230	5	0
3	48 Pieces $\frac{9}{8}$ wide bleached Russia Sheeting, at 88s	211	4	0
	Case, Packing, &c.	0	15	6
		211	19	6
4	1 Hhd. of Ironmongery, — amounting to, as φ inclosed B. P	83	10	6
	Hogshead	1	1	0
		84	11	6
5	1 Chest of Cutlery, amounting to, as φ B. P. with Chest	68	5	5
		704	12	11
	CHARGES.			
	Packing, Cartage, Wharfage, and Lighterage	3	18	6
	Entry Bond, Shipping Charges, Searchers' Fees, and Bills of Lading	5	10	8
			9	9
	Commission, $2\frac{1}{2}\%$ φ Cent.	17	17	0
	Premium of Insurance on £758. 10s. at $3\frac{1}{2}\%$ φ Cent.	26	10	11
	Policy, 2s. 6d. φ Cent.	1	0	0
	Commission $\frac{1}{2}\%$ φ Cent.	3	15	11
		31	6	10
		763	5	11

Invoice of sundry Goods shipped on Board the Hope, Henry Stanley, Master, for Jamaica, consigned for Sale to Richard Broadley, Merchant there, on the joint Account and Risk of the said Richard Broadley, and the Shipper, each a Half Share.

London, Jan. 31, 1832.

R. B.				
1 a 16	16 Puncheons, containing 136 Pieces Blue Milled Kerseys, at 55s	}	374	0 0
17 a 24	8 Ditto, containing 52 Pieces Broad striped Blanketing, each at 82s. 6d.	}	214	10 0
	24 Puncheons, at 30s.		36	0 0
25 a 34	10 Punch. } of Hardware, } 2 Hds. } as φ B. P. }	}	282	5 3
35 a 36	10 Puncheons at 30s.; 2 Hds. at 20s	}	17	0 0
			<u>923</u>	15 3
	CHARGES.			
	Package, Cartage, Wharfage, and Waterage	}	4	7 5
	Entry Bond, Shipping Charges, Searchers' Fees, and Bills of Lading	}	4	7 0
			<u>8</u>	14 5
	Commission, $2\frac{1}{2}\varphi$ Cent.		23	6 2
	To Premium of Insurance on £1000, at $3\frac{1}{2}\varphi$ Cent.	}	35	0 0
	Stamp Duty, 2s. 6d. φ Cent.		1	5 0
	Commission of Insurance, $\frac{1}{2}\varphi$ Cent.	}	5	0 0
			<u>41</u>	5 0
			<u>997</u>	0 10

Invoice of Six Hogsheads of Tobacco, shipped on Board the William and Mary, John Grater, Master, for Hamburgh, on Account and Risk of William Chumley, of the said Place.

London, March 16, 1832.

W. C. 1 a 6	No.	£	£			
	1	18 1 10	1 2 19			
	2	19 2 12	1 3 5			
	3	18 1 10	1 2 6			
	4	18 1 14	1 2 21			
	5	12 3 26	1 1 6			
	6	12 3 5	1 1 15			
		100 1 21 Gross	9 1 16			
		9 1 16 Tare				
		91 0 5 Net, at 5d. φ lb.		212	8	9
CHARGES.						
	Bond and Custom-House Entry ..	0 10 6				
	Cost of Empty Hogsheads	4 16 0				
	Ligherage, and small Charges ..	1 4 0				
	Bills of Lading	0 6 6				
	Brokerage at $\frac{1}{2}$ φ Cent	1 1 2				
	Commission 2 φ Cent.	4 4 11				
			12	3	1	
	Insurance on £260, at 13 Gui- neas φ Cent.	35 9 9				
	Policy, 2s. 6d. φ Cent.	0 7 6				
	Commission on Insurance, $\frac{1}{2}$ φ Ct.	1 6 0				
			37	3	3	
			261	15	1	

Invoice of 10 Bales of Pepper, shipped on Board the Nereid, Capt. William Macleay, for Leghorn, for the Account and Risk of Wilson and Vanelli; marked and numbered as P Margin.

London, March 21, 1832.

W.&V.					
1 a 10	10 Bales of Pepper, weighing each	2	3	12	
	<i>lb.</i>				
	3200 Gross				
	40 Tare				
	<hr/>				
	3160 Suttle				
	121½ Tret 4 <i>lb.</i> P 104				
	<hr/>				
	3038½ Net, at 14¼ <i>d.</i> P <i>lb.</i>	186	14	9	
	<hr/>				
	CHARGES.				
	Entry Bond and Shipping Charges	1	2	0	
	Lot Money and Casing, 2 <i>l.</i> 8 <i>s.</i> 8 <i>d.</i> }	1	6	8	
	Cartage, 5 <i>s.</i> }				
	Searchers' Fees, 3 <i>s.</i> Watching, 1 <i>s.</i> 6 <i>d.</i>	0	4	6	
	Waterage, Wharfage, and Shipping	0	8	4	
	Brokerage, at ½ P Cent.....	0	18	8	
					4 0 2
	Commission, 2 P Cent. on £186. 14 <i>s.</i> 9 <i>d.</i>	3	14	8	
	Insurance on £220, at £8. 8 <i>s.</i> P }	18	9	7	
	Cent. warranted with Convoy } for the Voyage				
	Policy, at 2 <i>s.</i> 6 <i>d.</i> P Cent.....	0	7	6	
	Commission on Insurance, ½ P Ct.	1	2	0	
					19 19 1
					<hr/>
					214 8 8
					<hr/>
	<i>Ent^{d.} Jour. P. 16. (121.)</i>				

Invoice of Flax, shipped on Board the Ann, M'Carthy for Madeira, on Account and Risk of Milman and Son, of Lisbon, and consigned by their Order, to John King, of Madeira.

London, March 26, 1832.

M. & S.	153 Mats, containing 10 Tons of Theissenhausen Flax, £63... }	630	0	0			
	153 Mats and Packing, at 8d. ..	5	2	0			
	Carting, Loading, Shipping, and Wharfing, at 4s. 6d. }	2	5	0			
	Lighterage and Watching	2	6	0			
	Order of Council	5	5	0			
	Entry, Searchers' Certificate, &c.	1	14	6			
	Special Bond	1	1	0			
	Keeping out Bill of Entry	0	2	6			
						647	16 0
	CHARGES.						
	Bills of Lading	0	6	0			
	Freight and Primage paid	21	0	0			
						21	6 0
						669	2 0
	Commission, $2\frac{1}{2}$ % Cent.					16	14 6
						685	16 6
	To Premium of Insurance on } £745, at 4 Guineas % Cent. }	31	5	9			
	Stamp Duty, at 2s. 6d. % Cent	1	0	0			
	Commission, $\frac{1}{2}$ % Cent.	3	14	6			
						36	0 3
						721	16 9

Ent^d. Jour. P. 16. - (121.)

*Invoice of 13 Chests of Tea shipped on Board the Sally,
John Daly, for Dublin, by Order and for Account
and Risk of Peter Holmes, of the said Place.*

London, March 30, 1832.

P. H.							
1 a 13	Six Chests of Congou ☞ the <i>Abergavenny</i> .						
	No. Comp. No.	Cwt.	qt.	lb.			
	1	2903	1 0	5	Tare 25 each		
	2	4	0 3	26	Dft. 1		
	3	5	1 0	7	—		
	4	6	1 0	3	26		
	5	7	0 3	27			
	6	8	1 0	9			
			6 0	21			
	Tare		1 1	16			
			4 3	5	at 3s. 6d. ☞ lb.	93 19 6	
					Duty at 40 ☞ Cent.	37 11 9	
							131 11 3
	Six Chests of Souchong ☞ the <i>Bombay Castle</i> .						
	7	2855	3 10		Tare 23 each.		
	8	6	3 17		Dft. 1		
	9	7	3 8		—		
	10	8	3 15		24		
	11	9	3 14				
	12	60	3 8				
			5 0	16			
	Tare		1 1	4			
			3 3	12	at 3s. 9d. ☞ lb.	81 0 0	
					Duty at 40 ☞ Cent.	32 8 0	
							113 8 0
	One Chest of Bohea ☞ the <i>Amazon</i> .						
	13	1412	3 2	3			
		Tare	0 2	9			
			2 3	22	at 2s. 3d. ☞ lb.	37 2 6	
					Duty at 20 ☞ Cent.	7 8 6	
							44 11 0
					Carried over..		289 10 3

	Brought over	289	10	3
CHARGES.				
Fees of Entry, Bond, and Certificate	} 1 13 6			
Casing 1 Chest of Bohea, at 6s. 4d. 12 of Souchong and Congou, at 4s.	} 2 14 4			
King's Officers, Loading, Cartage, Searching, and Sealing	} 0 8 8			
Wharfage, Shipping, Waterage, on board, at 1s. $\frac{1}{2}$ Chest, and Bills of Lading, 4s. 6d.	} 0 17 6			
Brokage on £212. 2s. at $\frac{1}{2}$ $\frac{1}{2}$ Cent	1 1 2			
Insurance of £250 at $2\frac{1}{2}$ $\frac{1}{2}$ Cent. } Policy Duty, at 7s. 6d. }	6 12 6			
		13	7	8
		302	17	11
Commission, 2 $\frac{1}{2}$ Cent.		6	1	2
		308	19	1
Drawback to be deducted.*				
On lb.				
537 Congou, at 3s. 6d.	93 19 6			
432 Souchong, at 3s. 9d.	81 0 0			
969	174 19 6			
at 40 $\frac{1}{2}$ Cent.	69 19 9			
330 Bohea, at 2s. 3d.	37 2 6			
at 20 $\frac{1}{2}$ Cent. }	7 8 6			
	77 8 3			
Deduct Fees	1 9 0			
		75	19	3
		232	19	10
<p>* When the Shipper receives a Certificate of the landing of the Teas at the destined Port, he is entitled to receive the Drawback, for which he gives Credit to his Correspondent.</p> <p style="text-align: center;"><i>Ent^d. Jour. P. 16. (121.)</i></p>				

I N D E X

TO

THE INVOICE BOOK.

INVOICE of Sugar, shipped on board the <i>Neptune</i> , for <i>Naples</i> , on Account of <i>William Pemberton</i>	1
Invoice of <i>Sundries</i> shipped on board the <i>Swan</i> , for <i>Bilboa</i> , for Account of <i>William Lamos</i>	2
Invoice of <i>Lead</i> , on board the <i>Betsy</i> , for <i>Leghorn</i> , for Account of <i>Wilson</i> and <i>Vanelli</i>	3
Invoice of <i>Sundries</i> , of the <i>Hope</i> , for <i>Jamaica</i> , for the Account of <i>Winter</i> and <i>West</i>	4
of <i>Hampton</i> and <i>Co.</i>	5
<i>Edward White</i>	6
<i>James Prime</i>	7
<i>Edmund Connor</i>	8
<i>Richard Broadley</i> and <i>Shipper</i>	9
Invoice of <i>Tobacco</i> of the <i>William and Mary</i> for <i>Hamburgh</i> , for Account of <i>William Chumley</i>	10
Invoice of <i>Pepper</i> of the <i>Nereid</i> , for <i>Leghorn</i> , for Account of <i>Wilson</i> and <i>Vanelli</i>	11
Invoice of <i>Porter</i> of the <i>Success</i> , for <i>Dundee</i> , for Account of <i>Wilson</i> and <i>Bell</i>	12
Invoice of <i>Flax</i> of the <i>Ann</i> , for <i>Madeira</i> , for Account of <i>Milman</i> and <i>Son</i>	13
Invoice of <i>Teas</i> of the <i>Sally</i> , for <i>Dublin</i> , for Account of <i>Peter Holmes</i>	14

THE SALES BOOK,

OR

FACTORY BOOK.

THIS Book, commonly called the *Account Sales Book*, is used to trace the Net Proceeds of any Cargo or Consignment, sold upon Commission.

AN ACCOUNT SALES generally occupies two Pages, with a Preamble over both, setting forth the Goods, Ship, and the name of the Person from whom the Consignment is received. The first or left-hand page contains an account of the various Charges incurred by the Transaction, such as Freight, Custom, Expenses of Landing and Selling, together with the Brokerage, and Factor's Commission: the two latter, it should be observed, are charged on the Gross Amount of the Sales.*

The second, or right-hand page, contains an account of the Quantity, Price, and Amount of the Goods sold, with the Buyer's Name and the Time of Payment. The difference between this Gross Amount, and the Charges on the other side is the Net Proceeds; for which the Factor gives his Correspondent credit, and sends him a copy of the Account Sales, and he generally signs his name at the bottom, with the words *Errors Excepted*.

In small Consignments, an Account Sales may be comprised in one page, beginning either with the Charges, or with the Amount of the Goods. (See p. 94 and 95.) The forms of these Accounts are various, but all tend to the same object, that of ascertaining the Net Proceeds or clear amount.†

* Commission is sometimes charged on Money advanced for Duty, together with the Gross Amount of the Consignment; and some Factors charge Interest on all Advances. A Copy of the usual Charges on Sales of Goods is frequently sent to Merchants beforehand, to let them see the Terms on which they may deal. Such a paper is called a *pro forma Account Sales*.

† It is worthy of remark that the form of an Account Sales Book might be extended to various other concerns of business with great convenience.

Dr. Account Sales of 10 Pipes of Port Wine, received ₤

1832. Jan. 23.	CHARGES.			
	To Duty* on 1374 Galls. at } 1s. 6 ² / ₃ d. ₤ Gall.....	106	17	4
	Excise, at £11. 18s. ₤ Tun of } 252 Galls.....	64	17	8
	Freight, Primage, &c.	10	7	6
		182 2 6		
	Cooperage, 3s. ₤ Pipe	1	10	0
	Cartage, Wharfage, &c. as ₤ } Cooper's Account	6	9	0
	Vault Rent, Insurance from } Fire, and taking Stock....	3	0	0
	Brokerage, 5s. ₤ Pipe	2	10	0
	Landwaiter's Fees	0	10	0
	Postage of Letters	0	10	3
		14 9 3		
	Interest on Duty and Excise, viz. £171 } 15s. for 96 Days, at 5 ₤ Cent.....	2	5	2
Feb. 4.	Commission at 2 ¹ / ₂ ₤ Cent.	8	18	9
		207 15 8		
	To Millman and Son, for Net Proceeds } due this Day	149	17	3
		357 12 11		

* The above Sales took place in 1790, since which time the Duty and Excise have been considerably advanced. But as these Charges are liable to continual alteration, the old rates are here continued, being equally proper to show the form of an Account Sales. The same may be observed with respect to the low price of the Wine.

the Nancy, from Oporto, on Account of Millman & Son, Cr.

1832.				
Feb. 3.	By Smithson and Co. sold them payable at 2 Months.			
	6 Pipes,	No. Gall.		
		1 137		
		2 140		
		3 140		
		4 139		
		5 141		
		6 141		
		838	Less two Gall. allowed for Ullage, viz. 836 Galls. at £36 $\frac{1}{4}$ Pipe of 138 Gallons	} 218 1 8
Feb. 4.	By Henry Clinton, sold him payable in 3 Months.			
	4 Pipes,			
		7 138		
		8 140		
		9 118		
		10 140		
		536	Less 1 Gall. for Ullage, 535 Gall. at £36 $\frac{1}{4}$ Pipe of 138 Gallons	} 139 11 3
				357 12 11

Ent^d. Jour. P. 10. (115.)

Dr. Sales of 6 Pipes of Olive Oil, received at the Swan,

1832. Feb. 3.	To Duty for 694 gls. at £7 0s. 9d. } 19 7 7 ☞ Tun of 252 gallons }			
	Freight, 35s. ☞ Tun 5 5 0			
			24	12 7
	Primage, Dover, and Quarantine .. 1 13 7			
	Ligherage, Landing, Wharfage .. 1 10 6			
	Porterage, Cartage, and Housing .. 2 2 0			
	Warehouse Rent, 2s. 6d. ☞ Pipe .. 0 15 0			
	Insurance from Fire* 0 19 6			
	Brokerage, at $\frac{1}{2}$ ☞ Ct. on £197 0s. 6d. 0 19 8			
			8	0 3
Feb. 12.	Commission, $2\frac{1}{2}$ ☞ Cent. on £229 13s. 6d.		5	14 10
	To Wilson and Vanelli for Net Proceeds, due this day		158	12 10
			197	0 6
<p>* Insurance from Fire is here carried to the Cash Account. Factors, however, mostly make it a Profit and Loss Account.</p>				

from Leghorn, on Account of Wilson and Vanelli. Cr.

1832.				
Feb. 8.	By Thomas Aveling, sold him two Pipes, payable at two Months.			
	No.	Galls.		
	1	112		
	2	117		
		229	at £67 $\frac{3}{4}$ Tun of 236 Gallons.	65 0 3
Feb. 12.	By Edward Kimpton, sold him four Pipes, payable at three Months.			
	3	118		
	4	113		
	5	116		
	6	118		
		465	at £67 $\frac{3}{4}$ Tun of 236 Gallons.	132 0 3
				197 0 6
	<i>Ent^d. Jour. P. 10. (See 115.)</i>			

Dr. Sales of 12 Hhds. of Sugar, received by the Dolphin,

1832.					
Feb. 6.	To Duty on 126 Cwt. at 23s. 6d. } ¢ Cwt.	148	1	0	
	Bill Money	0	9	0	
	Freight	48	4	4	
	Primage, Pierage, and Trade ..	0	19	6	
	Dock Dues* at 9d. ¢ Cwt.	4	14	6	
	Brokerage, at $\frac{1}{2}$ ¢ Cent	2	7	10	
					204 16 2
Feb. 14.	Commission, $2\frac{1}{2}$ ¢ Cent.				11 19 5
					216 15 7
	To Winter and West, for Net Proceeds, due this day				262 3 0
					478 18 7
<p>* Since the West India Docks have been opened, all West India produce must be landed and housed there, and the Charges, heretofore made for Landwaiters, Lighterage, Wharfage, Landing, Weighing, Housing, Cooperage, and Warehouse Rent, are now comprehended in one Charge, called <i>Dock Dues</i>.</p>					

from Jamaica, on Account of Winter and West. Cr.

1832. By Smithson and Co. sold them payable at
Feb. 14. Two Months.

12 Hogsheads,

No.	£		
1	11	2	12
2	12	0	11
3	11	1	13
4	12	0	2
5	11	3	5
6	11	2	16
7	11	1	13
8	12	0	15
9	11	2	12
10	12	0	7
11	11	3	11
12	11	2	15

	141	0	20
Tare*	15	0	16

Net	126	0	4 at 76 $\frac{1}{2}$ Cwt.	478	18	7
-----	-----	---	----------------------------	-----	----	---

Ent^d. Jour. P. 11. (116).

* The Tare on Sugar is taken from the Weight of the Casks.

Dr. Sales of 25 Bales of Cotton, & 50 Bags of Pimento,

1832.	To Entry of Fees at the Custom	0	9	0			
Feb. 6.	House for Pimento* }						
	Customs, Duty on 4421	55	5	3			
	lb. at 3d. $\frac{1}{2}$ lb. }						
	10 $\frac{1}{2}$ Cent	5	10	6			
	2s. 2d. $\frac{1}{2}$ 100lb. . .	4	15	9			
		65	11	6			
	^{cwt. qr. lb.} Dock Dues 39 1 25 at 3s. 4d. }	6	11	6			
	$\frac{1}{2}$ Cwt. }						
	Freight, Primage, and Pierage ..	16	9	6			
	Expenses going to the Docks for	0	14	8			
	Samples }						
					89	16	2
	Charges on Cotton	12	12	3			
	Brokerage on £1089 18s. at $\frac{1}{2}$ $\frac{1}{2}$ Cent. 5 8 11	5	8	11	18	1	2
Feb. 26.	Commission on ditto, at $2\frac{1}{2}$ $\frac{1}{2}$ Cent.				27	4	11
					135	2	3
	To Edward White, his Account Current for Net Proceeds	954	15	9			
					1089	18	0

Ent^d. Jour. P. 11. (116.)

* The particulars of the Pimento are here given at the usual length; but the amount only of the Cotton is stated, the Article, Page 92, being considered a sufficient specimen of an Account Sales of Cotton.

of the Dolphin, from Jamaica, on Account of E. White, Cr.

1832. Feb. 22.	By Peter Bonham, sold him 25 Bales of Cotton, at Two Months						866	14	0
Feb. 26.	By Edward Taylor, 50 Bags of Pimento, at Two Months, viz.								
	No.	Cwt.		No.	Cwt.	No.	Cwt.		
	6	0 3 16		8	0 2 25	18	0 2 27		
	15	0 3 0		10	0 3 9	24	0 3 3		
	22	0 3 3		12	0 3 13	28	0 3 12		
	5	0 3 19		7	0 3 7	25	0 3 14		
	26	0 3 6		4	0 3 15	17	0 3 10		
	1	0 3 9		9	0 3 6	16	0 3 1		
	50	0 2 16		3	0 3 21	21	0 3 12		
	48	0 3 11		2	0 3 11	27	0 2 25		
	33	0 3 3		14	0 3 13	20	0 3 12		
	23	0 3 2		11	0 3 3	13	0 3 3		
	<u>10</u>	<u>8 0 1</u>		<u>10</u>	<u>8 1 11</u>	<u>10</u>	<u>8 0 7</u>		
	No.	Cwt.		No.	Cwt.	1 Bag damaged.			
	46	0 3 0		30	0 3 8	No.	qr.	lb.	
	37	0 3 0		42	0 3 9	47	3	11	
	38	0 3 2		43	0 3 11			1	
	36	0 2 25		31	0 3 3				
	44	0 3 7		49	0 3 5			3 10	
	40	0 3 27		35	0 3 7			3	
	45	0 3 3		34	0 3 10				
	41	0 3 4		29	0 3 4			3 7=	
	39	0 3 14		19	0 2 27				
	32	0 3 8		9	7 1 0			91	
	<u>10</u>	<u>8 0 6</u>		10	8 0 1			3	
				10	8 1 11				
				10	8 0 7			88lb. at 6d.	
				10	8 0 6				
				49	39 2 25				
					0 1 21	Draft.*			
					39 1 4				
					1 1 17	Tare.			
				Cwt. 37	3 15=	4243 lb.			
						163 Trett			
						4080 lb. net 13d.			
						221	0	0	
						1089	18	0	

* See Note, page 93.

Dr. Sales of 5 Hhds. Sugar, received of the Martha,

1832.	CHARGES.					
		<i>Cwt. qr. lb.</i>				
Mar. 4.	To Duty on 57 1 23 at 17s.6d.			} 50 5 6		
	of Cwt.					
	Bill Money		0 9 0			
	Freight		18 9 11			
	Primage, Pierage, and Trade ..		0 8 2			
	Dock Dues, at 9d. of Cwt.		2 3 0			
	Brokerage, at 1/2 of Cent.		1 3 2			
					72 18 9	
Mar. 24.	To Commission, 2 1/4 of Cent				5 15 11	
					78 14 8	
	To J. Biddle for Net Proceeds due this day.				153 3 4	
					231 18 0	

Ent^a. Jour. P. 17. (122.)

Lawson, from Grenada, on Account of John Biddle. Cr.

1832.

Mar. 24. By Wentham and Hull, 5 Hhds. at 3 Months.

	£		
1	12	1	18
2	12	3	9
3	12	1	21
4	11	3	21
5	13	2	9

63 0 22

Tare 6 2 15

Net 56 2 7 at 82s. φ Cwt. .. 231 18 0

Dr. Sales of 16 Bags of Cotton Wool, received of the

1832.		COTTON.		
Mar.24.	Duty 8s. of 100lbs on 4207lbs.	16	16	6
	Entry, &c.	0	9	0
	Freight, &c.	39	8	9
	Primage, &c. 1s. 4½d. of Bale ..	1	2	0
	Dock Dues, 2s. 8d. of Cwt.	5	0	2
	Mending for Delivery, &c.	0	8	2
	Advertising, &c.	1	7	6
	Insurance from Fire	1	4	0
	Brokerage at 1 of Cent.	8	0	2
			73	16 3
Mar.24.	To Commission, 2½ of Cent.		20	0 6
			93	16 9
	To J. Biddle, for Net Proceeds due this day.		695	6 0
			789	2 9

Ent^d. Jour. P. 17. (122.)

Sales of Osnaburgs, received by sundry Ships, for Account of Wilson and Bell, of Dundee.

London, March 11, 1832.

1832.	No		Pieces.		Months.			
	1	Flax Osn.	15	2135	$7\frac{3}{8}$	14	67	16 7
	0	Wr.	1	28	6	—	0	14 0
	2	Do. Do.	15	2176	$7\frac{1}{2}$	—	68	0 0
Sold	0	Wr.	1	28	6	—	0	14 0
George Holland	3	Tow, ditto	14	2018	7	—	58	17 2
	0	Wr.	1	24	6	—	0	12 0
at 14 Months.*	4	Do. Do.	15	2166	$7\frac{1}{8}$	—	64	6 0
	0	Wr.	1	23	6	—	0	11 6
			63	8598			261	11 3
CHARGES.								
		To Freight φ <i>Eliza, Clarke</i> .	15	2041		15	0	
		To do. φ <i>Neptune, Drummond</i>	32	4367	1	13	0	
		To do. φ <i>Active, Mills</i>	16	2190		16	6	
			63	8598				
		To Landing, Wharfage, } Cartage, and Housing . . }				16	0	
		To Cartage to Buyers, 12s. } odd Pence, 1s. 3d. }				13	3	
		To Warehouse Rent, $\frac{1}{2}$ φ <i>Ct.</i>			1	6	2	
		To Insurance against Fire, } 3s. 6d. φ <i>Cent.</i> }				9	2	
		To Commission and Insur- } ing Debts, at 4 φ <i>Cent.</i> }			10	9	3	16 18 4
Mar. 11		To Wilson & Bell, for Net } Proceeds due this Day . . }					244	12 11
		<i>Ent^d. Jour. P. 17. (122.)</i>						

* Scotch Factors generally give the same Credit which they receive, and keep an Interest Account open with their Correspondents, reckoning for any deviation, on either side, from the stated time.

Sales of Linen, 1 Pack Brown, $\frac{3}{4}$ wide, of the Hibernia, on Account of Peter Holmes, of Dublin.

London, March 30, 1832.

P. H. No. 3.	Sold George Holland, payable at 8 Months.								
	No. 1	Pieces.	Yards.	d.					
1832.	1	4	202	7	5	17	10		
	2	4	203	7 $\frac{1}{2}$	6	6	10 $\frac{1}{2}$		
	3	4	203	8	6	15	4		
	4	4	202	8 $\frac{1}{2}$	7	3	1		
	5	4	202	9	7	11	6		
	6	4	204	9 $\frac{1}{2}$	8	1	6		
	7	4	202	10	8	8	4		
	8	4	202	10 $\frac{1}{4}$	8	16	9		
	9	4	200	11	9	3	4		
	10	4	199	11 $\frac{1}{2}$	9	10	8 $\frac{1}{2}$		
		1 Wrapper	52	6	1	6	0		
		<u>41</u>						79 1 3	
	Freight, &c.				1	4	2		
	Cartage, Porterage, &c.				0	3	5		
	Warehouse Rent and Insurance } from Fire, 1 $\frac{1}{4}$ Cent.				0	15	9		
	Insurance of Debts, ditto				0	15	9		
	* Advance of Money, 2 $\frac{1}{2}$ $\frac{1}{4}$ Cent.				1	19	6		
	Commission, ditto				1	19	6		
								618 1	
Mar30.	To Peter Holmes's Credit in Account Current							72 3 2	
	<i>Entd. Jour. P. 18. (123.)</i>								

* Irish Factors, in London, give the wholesale Linen Drapers Eight Months' Credit, and charge their Employers in Ireland half a Year's Interest at 5 per Cent. for Advance of Money: the other Two Months are allowed for correspondence, and the Time their Acceptances have to run.

An Interest Account is kept open between the Parties, and any deviation on either side from the Two Months is accounted for.

I N D E X

TO

THE SALES BOOK.

	Page.
Sales of <i>Port Wine</i> , ⚔ the <i>Nancy</i> , from <i>Lisbon</i> , on Account of <i>Millman and Son</i>	1
Sales of <i>Olive Oil</i> , ⚔ the <i>Swan</i> , from <i>Leghorn</i> , on Account of <i>Wilson and Vanelli</i>	2
Sales of <i>Sugar</i> , ⚔ the <i>Dolphin</i> , from <i>Jamaica</i> , on Account of <i>Winter and West</i>	3
Sales of <i>Cotton and Pimento</i> , ⚔ the <i>Dolphin</i> , from <i>Jamaica</i> , on Account of <i>Edward White</i>	4
Sales of <i>Sugar</i> , ⚔ the <i>Martha</i> , from <i>Grenada</i> , on Account of <i>John Biddle</i>	5
Sales of <i>Cotton</i> , ⚔ the <i>Martha</i> , from <i>Grenada</i> , on Account of <i>John Biddle</i>	6
Sales of <i>Osnaburgs</i> , for Account of <i>Wilson and Bell</i> , of <i>Dundee</i>	7
Sales of <i>Linen</i> ⚔ the <i>Hibernia</i> , from <i>Dublin</i> , on Account of <i>Peter Holmes</i>	8

THE CASH BOOK.

THE CASH BOOK contains an Account of all Money Transactions. It is kept in a folio form like the *Ledger*, with *Dr.* marked on the left-hand page, and *Cr.* on the right. *On the Dr. side are entered all Monies received, and on the Cr. side all Monies paid.*

The amount of these Receipts and Disbursements may be carried in any portion in one sum to the *Ledger*, for every Month, Week, or Day, according to the extent of the Business, but Monthly Divisions are the most common; and it is generally found convenient to transfer the *Cash Book* first to the *Journal*, classing Articles of the same kind together.

The following *Cash Book* is formed from the *Waste Book* and *Subsidiary Books*, by observing those transactions where Money is either paid or received, and entering them accordingly, with Dates, Names, and other necessary particulars. In real business, however, such transactions should be entered at the time they take place.

Separate Columns are sometimes allotted in the *Cash Book* for Money kept at different places, such as at a Banker's, at the Bank, and at Home. The Banker's Book is generally found useful in correcting and abridging the *Cash Book*, which may be also abridged by the help of a Petty Cash Book, containing an Account of Small Charges on Merchandise, and of other incidental expenses.

The *Cash Book* sometimes contains Accounts that need not be transferred to the *Journal*, such as Loans and Accommodations, which are to be soon repaid; these may be entered *short*, and when settled, they, of course, balance themselves.

CASH,		Dr.		
		Received.		
		£.	s.	d.
1832.				
Jan.				
5	To Interest for discounting H. Barlow's <i>Bill</i> , } No. 215	1	12	6
15	To Bills Receivable, No. 210, Ramsay and Co.	520	0	0
25	_____ No. 424, E. Malone....	400	0	0
	_____ No. 235, ditto	383	10	0
27	To Ship <i>Charlotte</i> , received for <i>Freight</i>	138	10	0
28	To <i>Farm in Kent</i>	54	10	0
31	To <i>Debentures</i>	195	10	6
		1693	13	0
<i>Ent^d. Jour. P. 3. (108.)</i>				

CONTRA,		Cr.		
		Paid.		
		£.	s.	d.
1832.				
Jan.				
1	By <i>Charges on Merchandise</i> & <i>Neptune</i> for } <i>Naples</i>	7	16	0
5	By <i>Bills Payable</i> , No. 215, H. Barlow	410	0	0
12	By <i>Charges on Merchandise</i> , & <i>Swan</i> , for <i>Bilboa</i> By <i>Bills Payable</i> , No. 213, C. Mills	10	13	8
15	By <i>Charges on Merchandise</i> , & <i>Betsey</i> , for } <i>Leghorn</i>	0	2	6
23	By ditto for <i>Sales</i> , & <i>Nancy</i> , from <i>Oporto</i> ..	196	11	9
26	By <i>Bills Payable</i> , No. 214, J. Gibson	431	15	9
	By <i>Bills Payable</i> , No. 219, J. Harrison	210	10	6
30	By <i>Ship Charlotte</i> , paid for <i>Repairs</i>	43	15	0
	By <i>Bills Payable</i> , No. 216, Walter & Hume ..	610	15	3
	By <i>Bills Payable</i> , No. 218, T. Pembroke ..	105	11	6
31	By <i>Charges on Merchandise</i> , & <i>Hope</i> , for } <i>Jamaica</i>	44	9	8
	By <i>House Expenses</i>	68	10	0
		2854	2	7
<p><i>Ent^d. Jour. P. 3. (108.)</i></p>				

CASH,

Dr.

		Received.		
		£.	s.	d.
1832.				
Feb.				
1	To <i>Bills Receivable</i> , No. 3, William Chulmley	37 $\frac{1}{2}$	10	0
1	_____ No. 141, Hamilton and Co.	312	0	0
9	_____ No. 2, William Chulmley	210	0	0
15	_____ No. 153, Weldon and Co.	162	10	0
18	To <i>Interest</i> , received a <i>Dividend</i> at the Bank	80	0	0
21	To <i>Lottery Tickets</i> , received a <i>Prize</i>	10	0	0
24	To <i>Bills Receivable</i> , No. 261, Weldon and Co.	231	5	0
28	_____ No. 104, ditto	216	5	0
		1594	10	0
<i>Ent^d. Jour. P. 8. (113.)</i>				

CONTRA,		Cr.		
		Paid.		
		£.	s.	d.
1832.				
Feb.				
3	By Charges on Merchandise, $\frac{1}{2}$ the Swan, from } <i>Leghorn</i> , on Account of Wilson & Vanelli }	32	12	10
4	By Lottery Tickets	37	10	0
5	By Bills Payable, No. 1, George Holland ..	400	0	0
6	By Charges on Merchandise, $\frac{1}{2}$ the <i>Dolphin</i> , from <i>Jamaica</i> , on Account of Winter and West	204	16	2
	By ditto, on Account of E. White	107	17	4
		312	13	6
11	By Bills Payable, No. 217, P. Hamilton ..	126	0	0
	By Charges on Merchandise, paid for <i>Hemp</i> } at Landing	16	11	3
15	By Bills Payable No. 2, Gibson and Carr ..	300	0	0
20	By Charges on Merchandise, for <i>Sugar</i> in } Company	823	5	6
24	By Bills Payable, No. 3, Samuel Lightfoot	500	0	0
26	----- No. 5, Smithson and Co.	237	10	0
27	By Henry Stanton, paid him the <i>Balance</i> } of his Account	174	11	3
	By Interest on ditto	2	3	7
	By Household Furniture	130	0	0
28	By House at <i>Richmond</i> , paid for <i>Repairs</i> ..	42	10	0
	By House Expenses	57	9	6
	By Rent and Taxes	105	12	0
		3298	9	5

Ent^d. Jour. P. 8. (113.)

CASH,		Dr.		
		Received.		
		£.	s.	d.
1832.				
March				
1	To <i>Funded Property</i> , sold £2000 Stock, at } 79 $\frac{7}{8}$ & $\frac{1}{8}$ Commission	1595	0	0
6	To <i>Bills Receivable</i> , No. 1, Charles Le Coin	85	14	7
10	_____, No. 8, Wm. Pemberton	570	0	0
15	_____, No. 10, E. White	280	0	0
19	_____, No. 11, J. Prime	364	10	0
22	_____, No. 9, Hampton & Co.	310	10	0
23	To <i>Farm in Kent</i> , received of W. Shepherd	62	10	0
24	To <i>Sales of Cotton</i> , & the <i>Martha</i> , sold by } public Auction	789	2	9
28	To <i>Bills Receivable</i> , No. 4, W. Lamos	250	0	0
	_____, No. 5, ditto	310	0	0
	_____, No. 6, ditto	240	0	0
31	To <i>Debentures</i>	135	10	0
		499	17	4

CONTRA,		Cr.		
		Paid.		
1832.		£.	s.	d.
March				
3	By <i>Bills Payable</i> , No. 6, Smithson and Co.	310	10	0
	" " " , No. 7, Ditto	272	5	0
4	By <i>Charges on Merchandise</i> , & the <i>Martha</i> , from <i>Grenada</i> , on Account of John Bid- dle, viz. on Sugar ..72 18 9 on Cotton 73 16 3			
		146	15	0
10	By <i>Bills Payable</i> , No. 8, Winter and West	400	0	0
11	By <i>Charges on Merchandise</i> , & <i>Sales of</i> <i>Osnaburgs</i> , for Account of Wilson and Bell, of <i>Dundee</i>		6	9 1
16	By do. & the <i>William & Mary</i> , from <i>Hamburgh</i>		7	18 2
17	By <i>Bills Payable</i> , No. 12, P. Holmes	320	0	0
18	" " " , No. 14, Gibson and Carr	210	0	0
21	By <i>Charges on Merchandise</i> , & the <i>Nereid</i> for <i>Leghorn</i>		4	0 2
25	By ditto, & the <i>Success</i> , for <i>Dundee</i>		0	12 8
26	By ditto, & the <i>Ann</i> , for <i>Madeira</i>		39	2 0
27	By <i>Bills Payable</i> , No. 4, S. Lightfoot	550	0	0
29	By <i>Funded Property</i> , bought £3500 Stock, in the 3 & Cents. <i>Reduced</i> , at 62½ and ¼ } Commission	2183	2	6
30	By <i>Merchandise</i> , paid for <i>Teas</i> , at the India House	289	10	3
	By <i>Charges on Merchandise</i> , & the <i>Sally</i> , for <i>Dublin</i>		6	15 2
	By ditto, & the <i>Hibernia</i> , from <i>Dublin</i>		2	3 4
31	By <i>House Expenses</i>	50	19	7
	By <i>Charges on Merchandise</i> , not posted to any other Account	79	10	6
		4879	13	5

JOURNAL (SET III).

THE Journal opens with the Inventory of Stock from the Waste Book, after which the Subsidiary Books are journalised separately, according to the following Rules; and then such transactions of the Waste Book, as are not contained in any of the Subsidiary Books, conclude the Journal Entries for each Month.

RULES FOR JOURNALISING THE SUBSIDIARY BOOKS.

1. TO JOURNALISE THE CASH BOOK.

For all Money received CASH *Dr. to Sundries.*

For all Money paid *Sundries Drs. to CASH.*

Specifying Particulars, and classing Items of the same kind together. *See Page 3, Journal.* (108.)

2. TO JOURNALISE THE BILL BOOK.

For all Bills received *Bills Receivable Dr. to Sundries.*

For all Bills accepted *Sundries Drs. to Bills Payable.*

Setting forth *Names, Numbers,* and other necessary Particulars. *See Page 4, Journal.* (109.)

3. TO JOURNALISE THE INVOICE BOOK.

THE PERSON, for whose Account the Invoice is sent, *DR.* to *SUNDRIES*, viz.

To Merchandise For Amount of Goods.

To Charges on Merchandise . . For Shipping and other Charges.

To Commission For the Factor's Commission.

To Insurance For Premium of Insurance.

See Page 5, Journal, (110.)

When several Invoices are sent by the same Ship, they may be arranged in Columns, as in Page 6, (111,) a method which promotes both accuracy and dispatch, and which might be also used with the Invoice Book in general, and with the Sales Book.

4. TO JOURNALISE THE SALES BOOK.

THE PERSON to whom the Goods are sold, is debited *for the Sales*, and if they are sold for Ready Money, the Account is entered accordingly in the Cash Book.—Then,

SALES (wth THE SHIP'S NAME, &c.) Dr. TO SUNDRIES.*

To Charges on Merchandise	For Charges at Landing, &c.
To Interest	{ For Interest (if charged on Money advanced.)
To Commission	For the Factor's Commission.
To A. B. (the Consigner)	{ For Net Proceeds. See Page 10, Journal.

When an Account Sales is in Partnership, the Journal Entry is the same as above, except that the net proceeds must be duly divided, and each Partner credited for his Share. This is exemplified in Page 118, where a short, but important Note, is added, showing the Manner of keeping all the Books belonging to a Partnership concern.

When an Insurance is effected, the Journal Entry is,

Insurance Dr. to the *Person* or *Office* that underwrites; and when any part of the Premium becomes returnable, the Person or Office owing the same is debited to Insurance.—See Page 124.

☞ The foregoing Rules for Journalising will be found to agree in principle with those laid down in Pages 6 and 21, all of which should be compared and well understood.

* These Titles vary in different Houses; as *Sales of Cotton, Sugar, &c. per the Ship* Dr.; *Merchandise Imported* Dr.; *Consignments* Dr.; and the Charges on Sales and Invoices, viz. *Freight, Courvoy Duty, and Customs*, are sometimes arranged under separate heads; but however the terms, or modes of arrangement may vary, the principles and object are the same.

LONDON, January, 1832.

(1)

1 st *	1	SUNDRIES <i>Drs.</i> † to <i>Stock</i> .			
		For the following Balances in my favour the 31st Ult. transferred.			
	1	Cash for Balance in hand	11700	0	0
	1	Funded Property £4000, at 78 $\frac{1}{4}$ in the 4 } ¢ <i>Cents</i> }	3130	0	0
	2	Farm in Kent	1520	0	0
	2	House at Richmond	500	0	0
	2	Household Furniture	750	0	0
	2	Ship Charlotte . . my half	3120	0	0
	3	Merchandise . . for Balance in hand	2165	10	6
	5	Debentures { for Balance due at the } { Custom House }	462	10	0
	5	Bills Receivable, for the Amount of Bills } due to me }	2225	10	0
	6	Millman and Son, <i>Oporto</i>	572	10	0
	6	Charles Le Coin, <i>Paris</i>	389	15	0
	6	William Lamos, <i>Bilboa</i>	428	12	0
	7	Panton and Abram, <i>Petersburgh</i>	572	19	6
	7	William Chulmley, <i>Hamburgh</i>	310	13	9
	7	Edward Taverton, <i>Amsterdam</i>	216	11	0
	8	William Pemberton, <i>Naples</i>	721	13	5
	8	Wilson and Vanelli, <i>Leghorn</i>	570	2	6
			29356	7	8

* The first Column here contains the Day of the Month, and the second, the folio of the Ledger where each Account is posted.

† A difference prevails among Book-keepers, with respect to using *Dr.* or *Drs.* after plural Accounts.—The proper way seems to be, to use it in the Plural, after *Sundries* only; and in the Singular, after Plural Titles, which stand but for one Article or one Firm:—as Bills Receivable *Dr.*—Profit and Loss *Dr.*—Wilson and Bell *Dr.*—but *Sundries, Drs.*

(2)

LONDON, *January*, 1832.

1st

1

Stock *Dr. to Sundries.**

For the following Balances against me the
31st Ult. transferred.

8	To Smithson and Co.	<i>London</i>	820	5	0
9	To Wentham and Hull,	<i>Ditto</i>	716	9	6
9	To Nicholson and Hope,	<i>Ditto</i>	241	10	0
9	To Peter Bonham,	<i>Ditto</i>	371	19	2
10	To Horne and Jones,	<i>Ditto</i>	572	18	9
10	To George Holland,	<i>Ditto</i>	421	11	6
10	To Wansted and Gill,	<i>Leeds</i>	205	2	0
11	To Henry Stanton,	<i>Sheffield</i>	174	11	3
11	To Gibson and Carr,	<i>Birmingham</i>	268	11	4
11	To Ashford and Son,	<i>Manchester</i>	416	13	5
12	To Winter and West,	<i>Jamaica</i>	506	0	0
12	To Hampton and Co.	<i>Ditto</i>	173	10	0
12	To Edward White,	<i>Ditto</i>	316	4	0
13	To James Prime,	<i>Ditto</i>	516	19	0
13	To Edmund Connor,	<i>Ditto</i>	721	18	0
13	To Richard Broadley,	<i>Ditto</i>	216	9	0
14	To Peter Holmes,	<i>Dublin</i>	521	10	0
14	To Wilson and Bell,	<i>Dundee</i>	137	5	0
5	To Bills Payable, for my	Acceptances unpaid	2608	4	0
			9927	10	11

* The word *Sundries* is objected to by some Book-keepers as ungrammatical; but it may be considered as an abbreviation of *Sundry Accounts*, and its use is sufficiently sanctioned by the practice of Merchants. Its grammatical correctness too is obvious, several other adjectives being thus converted into substantives, as Goods, Evils, Blacks, Whites, &c.

LONDON, January, 1832.

(3)

1		CASH Dr. to Sundries.				
		For the following Sums received this Month, as per C. B. p. 98.				
5	14	To Interest		1	12	6
15	5	To Bills Receivable, No. 210.	520 0 0			
25		.....	424. 400 0 0			
		.....	235. 383 10 0			
			<hr/>	1303	10	0
27	2	To Ship Charlotte		138	10	0
28	2	To Farm in Kent		54	10	0
31	5	To Debentures		195	10	6
				<hr/>	<hr/>	<hr/>
				1693	13	0
1		SUNDRIES Drs. to Cash.				
		For the following Sums paid this Month, as per C. B. p. 99.				
1	3	Chgs. on Merch. Ψ Neptune, for Naples	7 16 0			
12		..... Ψ Swan, for Bilboa ..	10 13 8			
15		..... Ψ Betsy, for Leghorn	0 2 6			
23		..... Ψ Nancy, from Oporto	196 11 9			
31		..... Ψ Hope, for Jamaica	44 9 8			
			<hr/>	259	13	7
5	5	Bills Payable, No. 215	410 0 0			
12		..... 213	713 11 0			
26		..... 214	431 15 9			
26		..... 219	210 10 6			
30		..... 216	610 15 3			
30		..... 218	105 11 6			
			<hr/>	2482	4	0
30	2	Ship Charlotte		43	15	0
31	15	House Expenses		68	10	0
				<hr/>	<hr/>	<hr/>
				2854	2	7

(4)

LONDON, *January*, 1832.

5 **BILLS RECEIVABLE *Dr. to Sundries.***

For the following Bills received this
Month, as per B. R. p. 6.

3	6	To C. Le Coin, No. 1 due Mar. 6	85	14	7
19	7	To Will. Chulmley, 2 .. Feb. 22	210	0	0
		..... 3	372	10	0
			<hr/>		
			582	10	0
25	6	To William Lamos 4 .. Mar. 28	250	0	0
		..... 5	310	0	0
		..... 6	240	0	0
			<hr/>		
			800	0	0
			<hr/>		
			1468	4	7

5 **SUNDRIES *Drs. to Bills Payable.***

For the following Bills accepted by me
this Month, as per B. P. p. 62.*

2	10	G. Holland .. No. 1 due Feb. 5	400	0	0
16	11	Gibson and Carr .. 2	300	0	0
21	15	S. Lightfoot	500	0	0
24		..... 4 .. Mar. 27	550	0	0
			<hr/>		
			1050	0	0
29	8	Smithson and Co. 5 .. Feb. 21	237	10	0
		..... 6 .. Mar. 3	310	10	0
		..... 7	272	5	0
			<hr/>		
			820	5	0
			<hr/>		
			2570	5	0

* As bills are sometimes put into circulation before acceptance, this account is supposed to include all bills payable (drawn within the month,) whether accepted or meant to be accepted.

LONDON, January, 1832.

(5)

1 8 WILLIAM PEMBERTON, *Dr. to Sundries.*

For Amount of Invoice of Sugar, per Neptune,
for Naples, as per I. B. p. 1.

3	To Merchandise*	128	1	10
3	To Charges on Merchandise	7	16	0
4	To Commission	4	18	2
4	To Insurance	3	2	0
				0

143 18 0

12 6 WILLIAM LAMOS, *Dr. to Sundries.*

For Amount of Invoice per Swan, for
Bilboa, as per I. B. p. 2.

3	To Merchandise	635	19	10
3	To Charges on Merchandise	10	13	8
4	To Commission	19	11	4
4	To Insurance	11	1	6
				0

677 6 4

15 8 WILSON and VANELLI *Dr. to Sundries.*

For Amount of Invoice of Lead, per Betsey,
for Leghorn, as per I. B. p. 3.

3	To Merchandise	213	4	5
3	To Charges on Merchandise	0	2	6
4	To Commission	4	17	2
4	To Insurance †	3	15	0
				0

221 19 1

* Thé Merchandise less the Drawback.—The most general practice, however, is to keep the merchandise and drawbacks separate, but the result in both cases is the same with respect to the books.

† The following method of Journalizing Invoices affords a proof, by making the sums which are contained in the last column agree with those horizontally entered under each head. See p. 104.

(6)

LONDON, January, 1832.

SUNDRIES, Drs. to Sundries.

For Amount of Invoices per the Hope, for Jamaica, as per I. B., p. 4 a 9.

31

	Drs.	Pa. Inv.	Merchandise.	Charges on do.	Commission.	Insurance.											
12	Winter and West	4	375	9	9	3	19	5	11	10	8	12	18	6	403	18	4
12	Hampton and Co.	5	170	2	0	7	12	6	5	7	10	5	19	0	189	1	4
12	Edward White	6	608	2	6	5	5	0	18	11	8	20	7	6	652	6	8
13	James Prime	7	603	13	6	9	9	2	18	11	6	20	7	6	652	1	8
13	Edmund Connor	8	704	12	11	9	9	2	21	12	11	27	10	11	763	5	11
14	Adventure to Jamaica, in Company with R. Broadley, my Half }	9	923	15	3	8	14	5	28	6	2	36	5	0	498	10	5
13	Richard Broadley, his Half }																
	Crs.																
3	Merchandise		3385	15	11												
3	Charges on Merchandise					44	9	8									
4	Commission								104	0	9						
4	Insurance											123	8	5			
	Total Amount														3657	14	9

LONDON, January, 1832.

(7)

18	3 — 15	<p>MERCHANDISE <i>Dr. to Samuel Lightfoot.*</i></p> <p>For <i>Amount of Goods</i> bought of him, as \pounds B. P. 3050 0 0</p>			
31	4 — 15	<p>INSURANCE <i>Dr. to the London Assurance Company.</i></p> <p style="text-align: right;">For Amount of Insurances made this Month, as per I. B. p. 1 a 10.</p> <p>\pounds <i>Neptune, for Naples</i> 3 2 0</p> <p>\pounds <i>Swan, for Bilboa</i> 11 1 6</p> <p>\pounds <i>Betsey, for Leghorn</i> 3 15 0</p> <p>\pounds <i>Hope, for Jamaica</i> 123 8 5</p> <hr/> <p style="text-align: right;">141 6 11</p>			
31	5 — 3	<p>DEBENTURES <i>Dr. to Merchandise.</i></p> <p>For <i>Drawbacks</i> received this Month 138 15 0</p>			

* The accounts contained in this page, not having been entered in any of the subsidiary books, are made to close the Journal for the month, according to the direction in p. 104.

(8) LONDON, February, 1832.

1		CASH Dr. to Sundries.					
		For the following Sums received this Month, as per C. B. p. 100.					
1	5	To Bills Receivable, No. 3	372	10	0		
1		.....	141	312	0	0	
9		.....	2	210	0	0	
15		.....	153	162	10	0	
24		.....	261	231	5	0	
28		.....	104	216	5	0	
						1504	10 0
18	14	To Interest			80	0	0
21	16	To Lottery Tickets			10	0	0
						1594	10 0
1		SUNDRIES Drs. to Cash.					
		For the following Sums paid this Month, as per C. B. p. 101.					
3	3	Charges on Merchandise of Swan, } from Leghorn }	32	12	10		
6		..... of Dolphin from Jamaica	312	13	6		
11		..... for Hemp	16	11	3		
20		..... for Sugar in Company	823	5	6		
						1185	3 1
4	16	Lottery Tickets			37	10	0
5	5	Bills Payable, No. 1	400	0	0		
11		..... 217	126	0	0		
15		..... 2	300	0	0		
24		..... 3	500	0	0		
26		..... 5	237	10	0		
						1563	10 0
27	11	Henry Stanton			174	11	3
	14	Interest			2	3	7
	2	Household Furniture			130	0	0
28	2	House at Richmond			42	10	0
	15	House Expenses			57	9	6
	16	Rent and Taxes			105	12	0
						3298	9 5

LONDON, February, 1832.

(9)

5 **BILLS RECEIVABLE *Dr. to Sundries.***

For the following Bills received this Month,
as per B. R. p. 61.

	No.	Due.			
1	8	To Wm. Pemberton, 7 March	3	350	0 0
		8	10	570	0 0
					920 0 0
17	12	To Hampton and Co. 9	20	310	10 0
	12	To Edward White.. 10	13	280	0 0
	13	To James Prime.... 11	23	364	10 0
	13	To Edmund Connor 12	April 20	328	0 0
	13	To Richard Broadley 13	20	174	0 0
					2377 0 0

5 **SUNDRIES *Drs. to Bills Payable.***

For the following Bills drawn on me and accepted,
this Month, as per B. P. p. 62.

	No.	Due.			
7	12	Winter and West 8 March	10	400	0 0
		..... 9 April	10	400	0 0
		..... 10	10	500	0 0
		..... 11 May	10	400	0 0
					1700 0 0
14	14	Peter Holmes ... 12 March	17	320	0 0
		..... 13 April	17	285	0 0
					605 0 0
15	11	Gibson and Carr. 14 March	18	210	0 0
					2515 0 0

(10) LONDON, February, 1832.

16 SUNDRIES *Drs. to Sales of the Nancy.*

For Amount of 10 Pipes of Port, for Account of Millman and Son, as per S. B. f. 1.

3	8	Smithson & Co. 6 Pipes, at 2 Mths.	218	1	8			
4	17	Henry Clinton, 4 ditto, at 3 Mths.	139	11	3			
							357	12 11

Feb. 4 16 SALES *of the NANCY Dr. to Sundries.*

Jan. 23	3	To Charges on Merchandise	196	11	9			
Feb. 4	4	To Commission	8	18	9			
	14	To Interest	2	5	2			
	6	To Millman and Son, for Net Proceeds of 10 Pipes of Port, as per S. B. f. 1.	149 17 3					

12 16 SUNDRIES *Drs. to Sales of the Swan.*

For Amount of 6 Pipes of Olive Oil, for Account of Wilson and Vanelli, as per S. B. f. 2.

8	17	Thomas Aveling, 2 Pipes, at 2 Mths.	65	0	3			
12	17	Edward Kimpton, 4 ditto, at 3 Mths.	132	0	3			
							197	0 6

12 16 SALES *of the SWAN Dr. to Sundries.*

3	3	To Charges on Merchandise	32	12	10			
	4	To Commission	5	14	10			
12	8	To Wilson and Vanelli, for Net Proceeds of 6 Pipes of Olive Oil, as per S. B. f. 2.	158 12 10					

LONDON, February, 1832.

(11)

14	8	SMITHSON and Co. Dr. to Sales of the Dolphin.			
16		For Amount of 12 Hhds. of Sugar, at 2 Months, for Account of Winter and West, as S. B. f. 3... ..	478	18	7
<hr/>					
14	16	SALES of the DOLPHIN Dr. to Sundries.			
		For Amount of Sugar, as per S. B. f. 3.			
6	3	To Charges on Merchandise	204	16	2
14	4	To Commission	11	19	5
12		To Winter and West, for Net Proceeds of 12 Hhds. of Sugar, as S. B. f. 3.	262	3	0
			<hr/>		
			478	18	7
<hr/>					
26	16	SUNDRIES Drs. to Sales of the Dolphin.			
		For Amount of Cotton and Pimento, as per S. B. f. 4.			
22	9	Peter Bonham, for 25 Bales of Cotton, payable at 2 Months }	866	14	0
26	18	Edward Taylor, for 50 Bags of Pimento, payable at 2 Months }	223	4	0
			<hr/>		
			1089	18	0
<hr/>					
26	16	SALES of the DOLPHIN Dr. to Sundries.			
		For Amount of Cotton and Pimento, as per S. B. f. 4.			
6	3	To Charges on Merchandise	107	17	4
26	4	To Commission	27	4	11
26	12	To Edward White, for Net Proceeds of 25 Bales of Cotton, and 50 Bags of Pimento, as S. B. f. 4.	954	15	9
			<hr/>		
			1089	18	0

(12)

LONDON, February, 1828.

1	12	<p>EDWARD WHITE Dr. to Insurance. For Cost of insuring Goods, per the Faithful, Sullivan, from Jamaica to London, at 6 Guineas per Cent. to return 1½ for Convoy and Arrives, viz. Capital insured £3500 at £6 6s ¼ Cent.</p>	220	0	10	
1	4		<p>INSURANCE Dr. to Sundries. For Premium on the above, at 6 per Cent.</p> <p>9 To Nicholson and Hope, 1000 60 0 0 8 To Smithson and Co 1000 60 0 0 9 To Peter Bonham 1000 60 0 0 10 To George Holland 500 30 0 0 4 To Commission at 5 ¼ Cent. on Prem. 10 10 0</p>	220	10	0
2	18	<p>ADVENTURE FROM GRENADA (in Company with Peter Bonham and George Holland, each ⅓ Share,) Dr. to Sundries.</p> <p>18 To John Biddle for Amount of Invoice } 1260 11 6 4 To Insurance } 34 2 6</p>	1294	14	0	
2	4		<p>INSURANCE Dr. to the London Assurance Company. For Premium on £1300 at 2½ Guineas ¼ Cent.</p>	34	2	6
11	19		<p>HEMP Dr. to Sundries. For Cost of 42 Tons received per the Hannah, Cole, from Petersburg, viz.</p> <p>7 To Panton & Abram, for Amount of Invoice } 1204 12 9 3 To Charges on Merchandise, paid at landing } 16 11 3</p>	1221	4	0
19	10	<p>HORNE and JONES Dr. to Hemp. For Amount of 33 Tons, at £34 10s. ¼ } 19 Ton, at 2 Months }</p>	1138	10	0	
25	11		<p>ASHFORD and SON Dr. to Merchandize. For Amount of Goods sold them, as ¼ B. P.</p>	564	10	0
	3					

LONDON, February, 1832.

(13)

25	19	GEORGE BROKER <i>Dr. to Sales of Sugar, in Company.</i>			
	16				
		&			
		For Amount of 50 Hhds. Wt. Nt. 607 3 14 }			
		at 80s. $\frac{1}{4}$ Cwt. }	2431	10	0
	16	SALES of SUGAR, in Company, <i>Dr. to Sundries, viz.*</i>			
25	18	To <i>Adventure from Grenada</i>	1294	14	0
	3	To <i>Charges on Merchandise, paid for Freight, &c.</i>	823	5	6
	4	To <i>Commission on £2431 10s, the Amount of Sugar, at 2$\frac{1}{2}$ Cent.</i>	60	15	9
	19	To <i>Profit and Loss, for my $\frac{1}{3}$ Share</i>	84	4	11
	9	To <i>Peter Bonham, for his $\frac{1}{3}$ Share</i>	84	4	11
	10	To <i>George Holland, for his $\frac{1}{3}$ Share</i>	84	4	11
			2431	10	0

* This Account (which is here supposed to be taken from a Sales Book) affords a sufficient example of a Partnership concern.—The perspicuity and precision of this method will appear striking, when contrasted with the tedious and complicated forms given in the old systems of Book-keeping. The universal practice at present is, to keep a Partnership Account as if it belonged to one Person only; to open a separate Account for each Partner, like that of any other individual; and to divide the Profits or Losses according to the Terms of Copartnership.

(14)

LONDON, March, 1832.

		CASH Dr. to Sundries.					
		For the following Sums received this Month, as per C. B.					
1	1	To Funded Property sold, £2000 4 $\frac{1}{2}$ Cts. at 79 $\frac{3}{4}$	1595	0	0		
6	5	To Bills Receivable, No. 1	85	14	7		
10		..... 8	570	0	0		
15		..... 10	280	0	0		
19		..... 11	364	10	0		
22		..... 9	310	10	0		
28		..... 4	250	0	0		
		..... 5	310	0	0		
		..... 6	240	0	0		
			2410	14	7		
23	2	To Farm in Kent	62	10	0		
24	16	To Sales of Cotton, $\frac{1}{2}$ the Martha	789	2	9		
31	5	To Debentures	135	10	0		
			4992	17	4		
		SUNDRIES, Drs. to Cash.					
		For the following Sums paid this Month, as per C. B.					
3	5	Bills Payable	No. 6	310	10	0	
		..... 7	272	5	0		
10		..... 8	400	0	0		
17		..... 12	320	0	0		
18		..... 14	210	0	0		
27		..... 4	550	0	0		
			2062	15	0		
4	3	Charges on Merchandise $\frac{1}{2}$ Mar- } tha, from Grenada	146	15	0		
11		..... $\frac{1}{2}$ Sales of Osnaburgs ...	6	9	1		
16		..... $\frac{1}{2}$ W. & Mary, for Ham ..	7	18	2		
21		..... $\frac{1}{2}$ Nereid, for Leghorn ...	4	0	2		
25		..... $\frac{1}{2}$ Success, for Dundee ...	0	12	8		
26		..... $\frac{1}{2}$ Anne, for Madeira ...	39	2	0		
30		..... $\frac{1}{2}$ Sally, for Dublin	6	15	2		
		..... $\frac{1}{2}$ Hibernia, from Dublin .	2	3	4		
31		..... for Sundries not charg- } ed to any other Acct. }	79	10	6		
			293	6	1		
29	1	Funded Property, £3500 in the 3 $\frac{1}{2}$ Cents. at 62 $\frac{1}{2}$	2183	2	6		
30	3	Merchandise for Teas, paid at the India House	289	10	3		
31	15	House Expenses	50	19	7		
			4879	13	5		

LONDON, March, 1832.

(15)

5	BILLS RECEIVABLE <i>Dr. to Sundries.</i>						
	For the following Bills received this Month, as per B. R. p. 60.						
		No. Due.					
7	6	To Charles Le Coin, 14 Apr. 10 ..	1000 0 0				
		..... 15 May 10 ..	1150 0 0			
				2150	0	0	
24	7	To Wm. Chulmley 16 Apr. 27 ..	.....	560	0	0
19	To George Broker 17 27 ..	241 10 0					
		..... 18 May 27 ..	1000 0 0			
		..... 19 June 27 ..	1190 0 0			
				2431	10	0	
				5141	10	0	
5	SUNDRIES <i>Drs. to Bills Payable.</i>						
	For the following Bills accepted by me this Month, as per B. P. p. 62.						
		No. Due.					
8	6	Charles Le Coin .. 15 May 11 ..	1000 0 0				
		..... 16 May 11 ..	600 0 0			
				1600	0	0	
13	7	Panton and Abram 17 Apr. 27 ..	.....	830	0	0
24	18	John Biddle .. 18 May 27 ..	1200 0 0				
		..... 19 6 ..	60 11 6			
				1260	11	6	
28	15	Samuel Lightfoot . 20 1 ..	.....	2000	0	0
				5690	11	6	
16	7	WILLIAM CHULMLEY <i>Dr. to Sundries.</i>					
		For Amount of Invoice of Tobacco, per the William and Mary, for Hamburgh, as per I. B. p. 10.					
	3	To Merchandise	212 8 9				
	3	To Charges on Merchandise	7 18 2				
	4	To Commission	5 10 11				
	4	To Insurance	35 17 3				
				261	15	1	

(16)

LONDON, March, 1832.

21	8	WILSON and VANELLI, Dr. to Sundries.			
		For Amount of Invoice of Pepper, per the Nereid, for Leghorn, as per I. B. p. 11.			
	3	To Merchandise	186	14	9
	3	To Charges on Merchandise	4	0	2
	4	To Commission	4	16	8
	4	To Insurance	18	17	1
					214 8 8
25	14	WILSON and BELL, Dr. to Sundries.			
		For Amount of Invoice of Porter, per the Success, for Dundee, as per I. B. p. 12.			
	3	To Merchandise	104	16	0
	3	To Charges on Merchandise	0	12	8
	4	To Commission	3	4	8
	4	To Insurance	2	15	5
					111 8 9
26	6	MILLMAN and SON, Dr. to Sundries.			
		For Amount of Invoice of Flax, per the Ann, for Madeira, as per I. B. p. 13.			
	3	To Merchandise	630	0	0
	3	To Charges on Merchandise	39	2	0
	4	To Commission	20	9	0
	4	To Insurance	32	5	9
					721 16 9
30	14	PETER HOLMES, Dr. to Sundries.			
		For Amount of Invoice of Teas, per the Sally, for Dublin, as per I. B. p. 14.			
	3	To Merchandise (less Drawback) .	213	11	0
	3	To Charges on Merchandise	6	15	2
	4	To Commission	6	1	2
	4	To Insurance	6	12	0
					232 19 10

LONDON, March, 1832.

(17)

24	9	WENTHAM and HULL Dr. to Sales of Sugar			
	16	<i>φ</i> the Martha.			
		For amount of 5 Hhds. at 3 Months, as <i>φ</i> } S. B. f. 5	231	18	0
<hr/>					
24	16	SALES of SUGAR <i>φ</i> the Martha Dr. to Sundries.			
4	3	To Charges on Merchandise	72	18	9
24	4	To Commission	5	15	11
18		To John Biddle, for Net Proceeds } on 5 Hhds. as <i>φ</i> S. B. f. 5.... }	153	3	4
			231	18	0
<hr/>					
16		SALES of COTTON <i>φ</i> the Martha, Dr. to Sundries.			
3		To Charges on Merchandise	73	16	3
4		To Commission	20	0	6
24	18	To John Biddle, for Net Proceeds } of 16 Bales, as <i>φ</i> S. B. f. 6 .. }	695	6	0
			789	2	9
<hr/>					
11	10	GEORGE HOLLAND Dr. to Sales of Osnaburgs.			
16		For amount of 63 Pieces, at 14 Months, as } <i>φ</i> S. B. f. 7	261	11	3
<hr/>					
11	16	SALES of OSNABURGS Dr. to Sundries.			
3		To Charges on Merchandise	6	9	1
4		To Commission	10	9	3
14		To Wilson and Bell, for Net } Proceeds of 63 Pieces as <i>φ</i> } S. B. f. 7	244	12	11
			261	11	3

(18)

LONDON, March, 1832.

30	10	GEORGE HOLLAND <i>Dr. to Sales of Linen &</i>			
	16	<i>the Hibernia.</i>			
		For Amount of 41 Pieces, at 8 Months, as } & S. B. f. 8..... }	79	1	3
<hr/>					
30	16	SALES of LINEN & <i>the Hibernia Dr. to</i>			
		<i>Sundries.</i>			
	3	To Charges on Merchandise	2	3	4
	19	To Profit and Loss for Commis- sion, Insurance of Debts, and Advance of Money, &c..... }	4	14	9
	14	To Peter Holmes, for Net Pro- ceeds, as & S. B. f. 8..... }	72	3	2
		<hr/>	79	1	3
<hr/>					
	8	WILLIAM PEMBERTON <i>Dr. to Sundries.</i>			
3	5	To Bills Receivable, for No. 7, on John Day, returned with Protest	350	0	0
	3	To Charges on Merchandise for protesting the same	0	10	0
		<hr/>	350	10	0
<hr/>					
	6	CHARLES LE COIN <i>Dr. to Commission.</i>			
7	4	For paying John Morris £1600 at $\frac{1}{2}$ & Cent.	8	0	0
<hr/>					
	3	MERCHANDISE <i>Dr. to Sundries.</i>			
		For Goods bought this Month, as per Bills of Parcels.			
14	9	To Wentham and Hull, at 2 Mths.	1750	0	0
27	10	To Horne and Jones, at 4 Mths.	254	2	5
		<hr/>	2004	2	5
<hr/>					
	10	WANSTEAD and GILL <i>Dr. to Merchandise.</i>			
25	3	For Amount of Goods sold them at 2 } Months, as & B. P. }	510	0	0

LONDON, March, 1832.

(19)

28	4	SUNDRIES <i>Drs. to Insurance.</i>		
		For Return of Premium on 3500 <i>l.</i> insured Feb. 1, on Goods per the Faithful, Sullivan, for Con- voy, at 1½ per Cent. viz.		
	9	Nicholson and Hope 1000 15 0 0		
	8	Smithson and Co. 1000 15 0 0		
	9	Peter Bonham 1000 15 0 0		
	10	George Holland 500 7 10 0		
			52	10 0
	4	INSURANCE <i>Dr. to Edward White.</i>		
28	12	For the above Return of Premium	52	10 0
29	13	RICHARD BROADLEY <i>Dr. to Adventure to Jamaica, my Half.</i>		
	14	For Net Proceeds, as φ Account Sales received	612	15 0
31	5	DEBENTURES <i>Dr. to Merchandise.</i>		
	3	For Drawbacks received this Month	140	5 0
31	4	INSURANCE <i>Dr. to the London Assurance Company.</i>		
	15	For Amount of Insurances made with them this Month, viz.		
		φ the <i>Wm. and Mary</i> , for <i>Hamburgh</i> 35 17 3		
		. . . . <i>Nereid</i> , for <i>Leghorn</i> 18 17 1		
		. . . . <i>Success</i> , for <i>Dundee</i> 2 15 5		
		. . . . <i>Ann</i> , for <i>Madeira</i> 32 5 9		
		. . . . <i>Sally</i> , for <i>Dublin</i> 6 12 6		
			96	8 0

LEDGER. (SET III.)

THE Rules already laid down in Pages 9 and 28, will apply in all cases that can occur for posting the Journal to the Ledger. Some further explanations, however, may be useful here, with respect to new forms and arrangements.

In the following Ledger the Accounts are arranged in the same order as in the Journal, except in Folios 3, 4, and 5, where Articles, which are often referred to at the same time, are contiguously placed, to save the trouble of frequently turning to the Index. This method of classing Accounts of the same description is found very convenient in extensive business; but in the Theory of Book-keeping it is perhaps more obvious and regular to follow the order of the Journal.

When all the Accounts are opened in the Ledger from the Inventory of Stock, let the Subsidiary Books in the Journal, for each month, be separately posted in the following manner:

1. TO POST THE JOURNAL OF THE CASH BOOK.

Debit the CASH Account—*To Sundries*, for the Amount received.

Credit the CASH Account—*By Sundries*, for the Amount paid.

Then, for the Second or Double Entry,

Credit each Account separately—*By Cash*, for the respective Sums received.

Debit each Account separately—*To Cash*, for the respective Sums paid.

2. TO POST THE JOURNAL OF THE BILL BOOK.

Debit BILLS RECEIVABLE—*To Sundries*, for their whole Amount.

Credit each PERSON from whom they have been received—*By Bills Receivable* for their respective Amounts.—Again,

Credit BILLS PAYABLE—*By Sundries*, for their whole Amount.

Debit each PERSON for whom they have been accepted—*To Bills Payable*, for their respective Amounts.

3. TO POST THE JOURNAL OF THE INVOICE BOOK.

Debit the PERSON to whom the Invoice is sent—*To Sundries* for the whole Amount.

Credit MERCHANDISE, CHARGES, COMMISSION, and INSURANCE respectively—*By the said Person*, for the respective Sums annexed to these Terms.*

4. TO POST THE JOURNAL OF THE SALES BOOK.

Open a *General Account of Sales*, to which transfer the *Dr.* and *Cr.* Sides of each Sale respectively—then,

Debit the PERSON or PERSONS to whom the Consignment is sold—*To Sales* (of the Ship's Name) for the Amount,—and Credit CHARGES, COMMISSION, and the CONSIGNER—*By Sales* for the Sums annexed to these Titles respectively.

When the other Articles of the Journal are posted, a *Trial Balance* should take place. This useful check may be applied either monthly, weekly, or daily, according to the extent of the business.

In making the *General Balance*, the Residue of Funded Property, Houses, Lands, Furniture, Ships, or Goods unsold, † is here set down at the first cost; but in real Business, it is more correct and satisfactory to enter such Balances at their actual value, and to debit or credit *Profit and Loss* for the difference between their present worth and prime cost. Such a valuation becomes necessary, when any change takes place in the Firm of a House, or in the Terms of Copartnership; and in order, at any time, to make a true estimate of Profit and Loss, Interest should be charged on all Property as well as on Debts.

* When several Invoices are journalised together in Columns (as in Page 6 of the Journal,) the whole Amounts of Merchandise, Charges, Commission, and Insurance, are posted each in one Entry. This arrangement not only saves labour and repetition in the Journal, and affords checks against error, but also greatly shortens and simplifies the Ledger. Had these six Invoices been journalised separately, there must have been twenty-four Entries in the Journal, and the same number in the Ledger, which, by this modern method, are comprised in four.

† The Balances of Goods unsold in the following Ledger are only those of *Merchandise* and *Hemp*; the former comprehends all Goods bought and sold on Commission, and the latter is deemed a sufficient specimen of Real Accounts; Merchants, who deal in many articles, generally trace the Profits, Losses, and Balances, in a Warehouse or Merchandise Book, and transfer the amount of each, in one sum, to its proper place in the Ledger.

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STOCK,				Dr.		
Jan.	1	2	To Sundries	†	9927	10 11
March 31	..		To Balance	20	20058	7 4
					<hr/>	<hr/>
					29985	18 3

CASH,				Dr.		
Jan.	1	1	To Stock	1	11700	0 0
Jan.	..	3	To Sundries		1693	13 0
Feb.	..	8	To Sundries		1594	10 0
March	..	14	To Sundries		4992	17 4
					<hr/>	<hr/>
					19981	0 4

FUNDED PROPERTY,				Dr.		
Jan.	1	1	To Stock	1	3130	0 0
March 29	14		To Cash	1	2183	2 6
					<hr/>	<hr/>
					5313	2 6

* This column contains the Page of the Journal whence each account is taken; and the column † contains the Folio of the Ledger where the Second Entry is made.—(See Note p. 9.)

*** In this Ledger the date of the year is omitted, which, if wanted, may be supplied from the preceding Books.

CONTRA,		Cr.		
Jan. 1	1	By Sundries	†	29356 7 8
March 31	..	By Profit and Loss	19	629 10 7
				29985 18 3

CONTRA,		Cr.		
Jan. ..	3	By Sundries .....	..	2854 2 7
Feb. ..	8	By Sundries .....	..	3298 9 5
March ..	14	By Sundries .....	..	4879 13 5
March 31	..	By Balance	20	8948 14 11
				19981 0 4

CONTRA,		Cr.		
March 1	14	By Cash	1	1595 0 0
March 31	..	By Balance	20	3718 2 6
				5313 2 6

† The Ledger, though uniform in principle, is various in arrangement.—Some Book-keepers omit the column †, as the *Index* contains the same references. Others comprise the Dr. and Cr. sides on one page, with the Title between, as in the following example (Fol. 2); but the above method, of placing the Dr. and Cr. on opposite pages, is the most general, as well as the most simple and distinct form.

LEDGER. (SET III.)

(2)

		FARM IN KENT					Cr.				
Dr.											
Jan. 1	1 To Stock	1	1520	0	0	Jan. 28	3 By Cash	1	54	10	0
Mar. 31	8 To Profit and Loss	19	117	0	0	Mar. 23	14 By Cash	1	62	10	0
						Mar. 31	.. By Balance	20	1520	0	0
			1637	0	0				1637	0	0
Dr.		HOUSE AT RICHMOND					Cr.				
Jan. 1	1 To Stock	1	500	0	0	Mar. 31	.. By Balance	20	542	10	0
Feb. 28	8 To Cash	1	42	10	0						
			542	10	0						

		CONTRA	Cr.		
Jan.	1	5 By William Pemberton	8	128	1 10
	12	5 By William Lamos	6	635	19 10
	15	5 By Wilson and Vanelli	8	215	4 5
	31	6 By Sundries & Hope .....	..	3385	15 11
	..	7 By Debentures	5	138	15 0
Feb.	23	12 By Ashford and Son	11	564	10 0
March	16	15 By William Chulmley	7	212	8 9
	21	16 By Wilson and Vanelli	8	186	14 9
	25	16 By Wilson and Bell	14	104	16 0
	26	16 By Millman and Son	6	630	0 0
	30	16 By Peter Holmes	14	215	11 0
	25	18 By Wansted and Gill	10	510	0 0
	31	19 By Debentures	5	140	5 0
	..	By Baiance	20	445	0 8
				7509	3 2

		CONTRA	Cr.		
Jan.	1	5 By William Pemberton	8	7	16 0
	12	5 By William Lamos	6	10	13 8
	15	5 By Wilson and Vanelli	8		2 6
	31	6 By Sundries & Hope .....	..	44	9 8
	23	10 By Sales & Nancy	16	196	11 9
Feb.	3	10 By ditto & Swan	16	32	12 10
	6	11 By ditto & Dolphin	16	204	16 2
	..	By ditto & ditto	16	107	17 4
	11	12 By Hemp	19	16	11 3
	25	13 By Sales of Sugar in Company ..	16	823	5 6
March	16	15 By William Chulmley	7	7	18 2
	21	16 By Wilson and Vanelli	8	4	0 2
	25	16 By Wilson and Bell	14		12 8
	26	16 By Millman and Son	6	39	2 0
	30	16 By Peter Holmes	14	6	15 2
	4	17 By Sales & Martha	16	72	18 9
	24	17 By ditto	16	73	16 3
	11	17 By Sales of Osnaburgs	16	6	9 1
	30	18 By Sales & Hi ^t ernia	16	2	3 4
	3	18 By William Pemberton	8		10 0
	31	.. By Profit and Loss	19	79	0 6
				1738	2

COMMISSION

Dr.

March 31	..	To Profit and Loss	19	342	19	2
				<hr/>		

INSURANCE

Dr.

Jan.	31	7	To London Assurance Company..	15	141	6	11
Feb.	1	12	To Sundries		220	10	0
	2	12	To London Assurance Company..	15	34	2	6
March	28	19	To Edward White	12	52	10	0
	31	19	To London Assurance Company..	15	96	8	0
					<hr/>		
					544	17	5
					<hr/>		

		CONTRA	Cr.	
Jan.	1 5	By William Pemberton	8	4 18 2
	12 5	By William Lamos	6	19 11 4
	15 5	By Wilson and Vanelli	8	4 17 2
	31 6	By Sundries φ <i>Hope</i> .....	..	104 0 9
Feb.	4 10	By Sales φ <i>Nancy</i>	16	8 18 9
	12 10	By ditto φ <i>Swan</i>	16	5 14 10
	14 11	By ditto φ <i>Dolphin</i>	16	11 19 5
	26 11	By ditto φ ditto	16	27 4 11
	1 12	By Insurance	4	10 10 0
	25 13	By Sales of <i>Sugar</i> in Company ..	16	60 15 9
March	16 15	By William Chulmley	7	5 10 11
	21 16	By Wilson and Vanelli	8	4 16 8
	25 16	By Wilson and Bell	14	3 4 8
	26 16	By Millman and Son	6	20 9 0
	30 16	By Peter Holmes	14	6 1 2
	24 17	By Sales φ <i>Martha</i>	16	25 16 5
	11 17	By Sales of <i>Osnaburgs</i>	16	10 9 3
	7 18	By Charles Le Coin	6	8 0 0
				342 19 2

		CONTRA	Cr.	
Jan.	1 5	By William Pemberton	8	3 2 0
	12 5	By William Lamos	6	11 1 6
	15 5	By Wilson and Vanelli	8	3 15 0
	31 6	By Sundries φ <i>Hope</i> .....	..	123 8 5
Feb.	1 12	By Edward White	12	220 10 0
	2 12	By Adventure from Grenada in Co.	18	34 2 6
March	16 15	By William Chulmley	7	35 17 3
	21 16	By Wilson and Vanelli	8	18 17 1
	25 16	By Wilson and Bell	14	2 15 5
	26 16	By Millman and Son	6	32 5 9
	30 16	By Peter Holmes	14	6 12 6
	28 19	By Sundries .....	..	52 10 0
				544 17 5

CONTRA		Cr.	
Jan.	.. 3	By Cash	1 1303 10 0
Feb.	.. 8	By ditto	1 1504 10 0
March	.. 14	By ditto	1 2410 14 7
	3 18	By William Pemberton	8 350 0 0
	31 ..	By Balance	20 5643 10 0
			11212 4 7

CONTRA		Cr.	
Jan.	1 2	By Stock	1 2608 4 0
Jan.	.. 4	By Sundries .....	.. 2576 5 0
Feb.	.. 9	By ditto .....	.. 2515 0 0
March	.. 15	By ditto .....	.. 5690 11 6
			13384 0 6

CONTRA		Cr.	
Jan.	31 3	By Cash	1 195 10 6
March	31 14	By ditto	1 135 10 0
	31 ..	By Balance	20 410 9 6
			741 10 0

MILLMAN and SON, Oporto

Dr.

Jan.	1	1	To Stock	1	572	10	0
March	26	16	To Sundries .....	..	721	16	9
						1294	.6 9

CHARLES LE COIN, Paris

Dr.

Jan.	1	1	To Stock	1	389	15	0
March	8	15	To Bills Payable	5	1600	0	0
	7	18	To Commission	4	8	0	0
	31	..	To Balance	20	237	19	7
						2235	14 7

W. LAMOS, Bilboa

Dr.

Jan.	1	1	To Stock	1	428	12	0
	12	5	To Sundries .....	..	677	6	4
						1105	18 4

CONTRA				Cr.			
Feb.	4	10	By Sales of Nancy	16	149	17	3
March	31	..	By Balance	20	1144	9	6
					1294	6	9

CONTRA				Cr.			
Jan.	3	4	By Bills Receivable	5	85	14	7
March	7	15	By ditto	5	2150	0	0
					2235	14	7

CONTRA				Cr.			
Jan.	25	4	By Bills Receivable	5	800	0	0
March	31	..	By Balance	20	305	18	4
					1105	18	4

PANTON and ABRAM, Petersburg *Dr.*

Jan.	1	1	To Stock	1	572	19	6
March	13	15	To Bills Payable	5	830	0	0
						1402	19 6

W. CHULMLEY, Hamburg *Dr.*

Jan.	1	1	To Stock	1	310	13	9
March	16	15	To Sundries .....	..	261	15	1
	31	..	To Balance	20	570	1	2
						1142	10 0

E. TAVERTON, Amsterdam *Dr.*

Jan.	1	1	To Stock	1	216	11	0
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CONTRA		Cr.				
Feb. 11	12	By Hemp	19	1204	12	9
March 31	..	By Balance	20	198	6	9
				<u>1402</u>	<u>19</u>	<u>6</u>

CONTRA		Cr.				
Jan. 19	4	By Bills Receivable	5	582	10	0
March 24	15	By ditto	5	560	0	0
				<u>1142</u>	<u>10</u>	<u>0</u>

CONTRA		Cr.				
March 31	..	By Balance	20	216	11	0

CONTRA		Cr.				
Feb. 1	9	By Bills Receivable	5	920	0	0
March 31	..	By Balance	20	296	1	5
				<hr/>		
				1216	1	5
				<hr/>		

CONTRA		Cr.				
Feb. 12	10	By Sales of Swan	16	158	12	10
March 31	..	By Balance	20	847	17	5
				<hr/>		
				1006	10	3
				<hr/>		

CONTRA		Cr.				
Jan. 1	2	By Stock	1	820	5	0
Feb. 1	12	By Insurance	4	60	0	0
March 31	..	By Balance	20	652	0	3
				<hr/>		
				1532	5	3
				<hr/>		

WENTHAM and HULL, London *Dr.*

March 4	17	To Sales of <i>Martha</i>	16	231	18	0
31	..	To Balance	20	2234	11	6
				<hr/>	<hr/>	<hr/>
				2466	9	6
				<hr/>	<hr/>	<hr/>

NICHOLSON and HOPE, London *Dr.*

March 28	19	To Insurance	4	15	0	0
31	..	To Balance	20	286	10	0
				<hr/>	<hr/>	<hr/>
				301	10	0
				<hr/>	<hr/>	<hr/>

PETER BONHAM, London *Dr.*

Feb. 22	11	To Sales of <i>Dolphin</i>	16	866	14	0
March 28	19	To Insurance	4	15	0	0
				<hr/>	<hr/>	<hr/>
				881	14	0
				<hr/>	<hr/>	<hr/>

CONTRA				Cr.		
Jan.	1	2	By Stock	1	716	9 6
March	14	18	By Merchandise	3	1750	0 0
					2466	9 6

CONTRA				Cr.		
Jan.	1	2	By Stock	1	241	10 0
Feb.	1	12	By Insurance	4	60	0 0
					301	10 0

CONTRA				Cr.		
Jan.	1	2	By Stock	1	371	19 2
Feb.	1	12	By Insurance	4	60	0 0
	25	13	By Sales of Sugar in Co.	16	84	4 11
March	31	..	By Balance	20	365	9 11
					881	14 0

HORNE and JONES, London

Dr.

Feb.	19	12	To Hemp	19	1138	10	0
------	----	----	---------------	----	------	----	---

GEORGE HOLLAND, London

Dr.

Jan.	2	4	To Bills Payable	5	400	0	0
March	11	17	To Sales of Osnaburghs	16	261	11	3
	30	18	To Sales of Linen & the <i>Hibernia</i>	16	79	1	3
	28	19	To Insurance	4	7	10	0
					748	2	6

WANSTED and GILL, Leeds

Dr.

March	25	18	To Merchandise	3	510	0	0
-------	----	----	----------------------	---	-----	---	---

CONTRA				Cr.		
Jan.	1	2	By Stock	1	572	18 9
March	27	18	By Merchandise	3	254	2 5
March	31	..	By Balance	20	311	8 10
					<u>1138</u>	<u>10 0</u>

CONTRA				Cr.		
Jan.	1	2	By Stock	1	421	11 6
Feb.	1	12	By Insurance	4	30	0 0
	25	13	By Sales of Sugar in Co.....	16	84	4 11
March	31	..	By Balance	20	212	6 1
					<u>748</u>	<u>2 6</u>

CONTRA				Cr.		
Jan.	1	2	By Stock	1	205	2 0
March	31	..	By Balance	20	304	18 0
					<u>510</u>	<u>0 0</u>

HENRY STANTON, Sheffield

Dr.

Feb.	27	8	To Cash	1	174	11	3
------	----	---	---------------	---	-----	----	---

GIBSON and CARR, Birmingham

Dr.

Jan.	16	4	To Bills Payable	5	300	0	0
Feb.	15	9	To ditto	5	210	0	0
						510	0 0

ASHFORD and SON, Manchester

Dr.

Feb.	23	12	To Merchandise	3	564	10	0
------	----	----	----------------------	---	-----	----	---

CONTRA

Cr.

Jan.	1	2	By Stock	1	174	11	3
------	---	---	----------------	---	-----	----	---

CONTRA

Cr.

Jan.	1	2	By Stock	1	268	11	4
March 31	..		By Balance	20	241	8	8
						510	0

CONTRA

Cr.

Jan.	1	2	By Stock	1	416	13	5
March 31	..		By Balance	20	147	16	7
						564	10

CONTRA		Cr.	
Jan.	1 2	By Stock	1 506 0 0
Feb.	14 11	By Sales & <i>Dolphin</i>	16 262 3 0
March	31 ..	By Balance	20 1335 15 4
			2103 18 4

CONTRA		Cr.	
Jan.	1 2	By Stock	1 173 10 0
Feb.	17 9	By Bills Receivable	5 310 10 0
			484 0 0

CONTRA		Cr.	
Jan.	1 2	By Stock	1 316 4 0
Feb.	17 9	By Bills Receivable	5 280 0 0
	26 11	By Sales & <i>Dolphin</i>	16 954 15 9
March	28 19	By Insurance	4 52 10 0
			1603 9 9

JAMES PRIME, Jamaica

Dr.

Jan. 31	6	To Sundries .....	..	652	1	8
March 31	..	To Balance.....	20	229	7	4
				881	9	0

EDMUND CONNOR, Jamaica

Dr.

Jan. 31	6	To Sundries .....	..	768	5	11
March 31	..	To Balance.....	20	286	12	1
				1049	18	0

RICHARD BROADLEY, Jamaica

Dr.

Jan. 31	6	To Sundries, for Goods of the Hope ..	..	498	10	5
March 29	19	To Adventure to Jamaica, my $\frac{1}{2}$ } Share of Net Proceeds	14	612	15	0
				1111	5	5

LEDGER. (SET III.)

ADVENTURE TO JAMAICA		Cr.
Jan. 31	6 To Sundries for Goods & Hope ..	498 10
Mar. 31	.. To Profit and Loss	19 114 4 7
		612 15 0
		612 15 0
	By Richard Broadley, for } Net Proceeds }	13 612 15 0
PETER HOLMES, Dublin		Cr.
Feb. 14	9 To Bills Payable.....	5 605 0 0
Mar. 30	16 To Sundries	5 232 19 10
		837 19 10
		837 19 10
	By Stock	1 521 10 0
	By Sales of the Hibernia	16 72 3 2
	By Balance	20 244 6 8

HOUSE EXPENCES				Dr.		
Jan.	31	3	To Cash	1	68	10 0
Feb.	28	8	To ditto	1	57	9 6
March	31	14	To ditto	1	50	19 7
					176	19 1

SAMUEL LIGHTFOOT, London				Dr.		
Jan.	21	4	To Bills Payable	5	1050	0 0
March	28	15	To ditto	5	2000	0 0
					3050	0 0

LONDON ASSURANCE COMPANY				Dr.		
March	31	..	To Balance	20	271	17 5

CONTRA		Cr.				
March 31	..	By Profit and Loss	19	176	19	1

CONTRA		Cr.				
Jan. 18	7	By Merchandise	3	3050	0	0

CONTRA		Cr.				
Jan. ..	7	By Insurance	4	141	6	11
Feb. 2	12	By ditto .	4	34	2	6
March ..	19	By ditto .	4	96	8	0
				271 17 5		

LOTTERY TICKETS

Dr.

Feb.	4	8	To Cash	1	37	10	0
------	---	---	---------------	---	----	----	---

RENT and TAXES

Dr.

Feb.	28	8	To Cash	1	105	12	0
------	----	---	---------------	---	-----	----	---

SALES, General Account

Dr.

Feb.	4	10	To Sundries of the <i>Nancy</i>	357	12	11
	12	10	To ditto of the <i>Swan</i>	197	0	6
	14	11	To ditto of the <i>Dolphin</i>	478	18	7
	26	11	To ditto of ditto	1089	18	0
	25	13	To ditto for Sugar in Company ..	2431	10	0
March	24	17	To ditto of the <i>Martha</i>	789	2	9
	..	..	To ditto of ditto	231	18	0
	11	17	To ditto for Osnaburgs.....	261	11	3
	30	18	To ditto for Linens of the <i>Hibernia</i>	79	1	3
				5916	13	3

CONTRA		Cr.		
Feb. 21	8	By Cash	1	10 0 0
March 31	::	By Profit and Loss	19	27 10 0
				37 10 0

CONTRA		Cr.		
March 31	..	By Profit and Loss	19	105 12 0

CONTRA		Cr.		
Feb. 4	10	By Sundries		357 12 11
12	10	By ditto		197 0 6
14	11	By Smithson and Co.	8	478 18 7
26	11	By Sundries		1089 18 0
25	13	By George Broker	19	2431 10 0
March 24	14	By Cash	1	789 2 9
..	17	By Wentham and Hull	9	231 18 0
11	17	By George Holland	10	261 11 3
30	18	By ditto	10	79 1 3
				5916 13 3

HENRY CLINTON, London

Dr.

Feb.	4 10	To Sales of the <i>Nancy</i>	16	139	11	3

THOMAS AVELING, London

Dr.

Feb.	8 10	To Sales of the <i>Swan</i>	16	65	0	3

EDWARD KIMPTON, London

Dr.

Feb.	12 10	To Sales of the <i>Swan</i>	16	132	0	3

CONTRA		Cr.		
March 31	.. <i>By Balance</i>	20	139	11 3

CONTRA		Cr.		
March 31	.. <i>By Balance</i>	20	65	0 3

CONTRA		Cr.		
March 31	.. <i>By Balance</i>	20	132	0 3

EDWARD TAYLOR, London

Dr.

Feb.	26	11	To Sales of the <i>Dolphin</i>	16	223	4	0
					<hr/>		

ADVENTURE from GRENADA in Co. Dr.

Feb.	2	12	To Sundries .....	..	1294	14	0
					<hr/>		

JOHN BIDDLE, Grenada

Dr.

March	24	15	To Bills Payable	5	1260	11	6
	31	..	To Balance	20	848	9	4
					<hr/>		
					2109	0	10
					<hr/>		

CONTRA		Cr.			
March 31	..	By Balance	20	223	4 0

CONTRA		Cr.			
Feb. 25	13	By Sales of Sugar in Company ..	16	1294	14 0

CONTRA		Cr.			
Feb. 2	12	By Adventure from Grenada in Co.	18	1260	11 6
March 24	17	By Sales of Sugar of the <i>Martha</i> ..	16	153	3 4
	24	17 By Sales of Cotton of ditto	16	695	6 0
				2109	0 10

HEMP			<i>Dr.</i>		
Feb. 11	12	To Sundries for 42 Tons	1221	4	0
March 31	..	To Profit and Loss	178	19	8
			1400	3	8

GEORGE BROKER, London			<i>Dr.</i>		
Feb. 25	13	To Sales of Sugar in Company ...	2431	10	0

PROFIT and LOSS			<i>Dr.</i>		
March 31		To Charges on Merchandise	3	79	0 6
		To House Expenses	15	176	19 1
		To Lottery Tickets	16	27	10 0
		To Rent and Taxes	16	105	12 0
		To Stock	1	629	10 7
			1018	12	2

CONTRA		Cr.			
Feb. 19	12	By Horne and Jones for 33 Tons.	10	1138	10 0
March 31	..	By Balance for 9 Tons at £1221 } 4s. for 42 Tons. (prime Cost) }	20	261	13 8
				1400	3 8

CONTRA		Cr.			
March 24	15	By Bills Receivable	5	2431	10 0

CONTRA		Cr.			
Feb. 25	13	By Sales of Sugar in Company ..	16	84	4 11
March 30	18	By Sales of Linen of the <i>Hibernia</i> .	16	4	14 9
31		By Farm in Kent.	2	117	0 0
		By Ship <i>Charlotte</i>	2	94	15 0
		By Commission.	4	342	19 2
		By Adventure to Jamaica	14	114	4 7
		By Interest	14	81	14 1
		By Hemp	19	178	19 8
				1018	12 2

BALANCE		Dr.	
March 31	To Cash ..	1	8948 14 11
	To Funded Property ..	1	3718 2 6
	To Farm in Kent ..	2	1520 0 0
	To Household Furniture ..	2	880 0 0
	To House at Richmond ..	2	542 10 0
	To Ship <i>Charlotte</i> ..	2	3120 0 0
	To Merchandise ..	3	445 0 8
	To Bills Receivable ..	5	5643 10 0
	To Debentures ..	5	410 9 6
	To Millman and Son ..	6	1144 9 6
	To William Lamos ..	6	305 18 4
	To Panton and Abram ..	7	198 6 9
	To Edward Taverton ..	7	216 11 0
	To William Pemberton ..	8	296 1 5
	To Wilson and Vanelli ..	8	847 17 5
	To Smithson and Co. ..	8	652 0 3
	To Peter Bonham ..	9	365 9 11
	To Horne and Jones ..	10	311 8 10
	To George Holland ..	10	212 6 1
	To Wansted and Gill ..	10	304 18 0
	To Gibson and Carr ..	11	241 8 8
	To Ashford and Son ..	11	147 16 7
	To Winter and West ..	12	1335 15 4
	To Richard Broadley ..	13	720 16 5
	To Peter Holmes ..	14	244 6 8
	To Henry Clinton ..	17	139 11 3
	To Thomas Aveling ..	17	65 0 3
	To Edward Kimpton ..	17	132 0 3
	To Edward Taylor ..	18	223 4 0
	To Hemp ..	19	261 13 8
			<hr/>
			33595 8 2
			<hr/>

CONTRA

Cr.

CONTRA		Cr.			
March 31	By Bills Payable	5	7275	11	6
	By Charles Le Coin	6	237	19	7
	By William Chulmley	7	570	1	2
	By Wentham and Hull.....	9	2234	11	6
	By Nicholson and Hope.....	9	286	10	0
	By Hampton and Co.	12	294	18	8
	By Edward White.....	12	730	13	1
	By James Prime	15	229	7	4
	By Edmund Connor	13	286	12	1
	By Wilson and Bell	14	270	9	2
	By London Assurance Company .	15	271	17	5
	By John Biddle	18	846	9	4
	By Stock	1	20058	7	4
			33595 8 2		

TRIAL BALANCE.

9927	10	11	Stock	29356	7	8
19981	0	4	Cash	11032	5	5
5313	2	6	Funded Property	1595	0	0
1520	0	0	Farm in Kent	117	0	0
880	0	0	Household Furniture			
542	10	0	House at Richmond			
3163	15	0	Ship <i>Charlotte</i>	138	10	0
7509	3	2	Merchandise	7064	2	6
1738	2	9	Charges on Merchandise	1659	2	3
			Commission	342	19	2
			Insurance			
11212	4	7	Bills Receivable	5568	14	7
6108	9	0	Bills Payable	13384	0	6
741	10	0	Debentures	331	0	6
1294	6	9	Millman and Son	149	17	3
1997	15	0	Charles Le Coin	2235	14	7
1105	18	4	William Lamos	800	0	0
1402	19	6	Panton and Abram	1204	12	9
572	8	10	William Chulmley	1142	10	0
216	11	0	Edward Taverton			
1216	1	5	William Pemberton	920	0	0
1006	10	3	Wilson and Vanelli	158	12	10
1532	5	3	Smithson and Co.	880	5	0
231	18	0	Wentham and Hull	2466	9	6
15	0	0	Nicholson and Hope	301	10	0
881	14	0	Peter Bonham	516	4	1
1138	10	0	Horne and Jones	827	1	2
748	2	6	George Holland	535	16	5
510	0	0	Wansted and Gill	205	2	0
			Henry Stanton			
510	0	0	Gibson and Carr	268	11	4
564	10	0	Ashford and Son	416	13	5
83581	19	1	—————Carried over—————	83618	2	11

TRIAL BALANCE.

83581	19	1	-----Brought over-----	83618	2	11
2103	18	4	Winter and West	768	3	0
189	1	4	Hampton and Co.	484	0	0
872	16	8	Edward White	1603	9	9
652	1	8	James Prime	881	9	0
763	5	11	Edmund Connor	1049	18	0
1111	5	5	Richard Broadley	390	9	0
837	19	10	Peter Holmes	593	13	2
111	8	9	Wilson and Bell	381	17	11
498	10	5	Adventure to Jamaica.....	612	15	0
2	3	7	Interest	83	17	8
176	19	1	House Expenses			
			Samuel Lightfoot.....			
			London Assurance Company	271	17	5
37	10	0	Lottery Tickets	10	0	0
105	12	0	Rent and Taxes			
			Sales, General Account			
139	11	3	Henry Clinton			
65	0	3	Thomas Aveling			
132	0	3	Edward Kimpton.....			
223	4	0	Edward Taylor.....			
			Adventure from Grenada			
1260	11	0	John Biddle.....	2109	0	10
1221	4	0	Hemp	1138	10	0
			George Broker.....			
			Profit and Loss	88	19	8
94086	3	4		94086	3	4

The Trial Balance never appears in the Books of a Merchant; it is here inserted for the assistance of the Learner.

INTEREST ACCOUNT.

As Interest should be charged in the Ledger upon every Article, or Debt, from the time it becomes due to the period of settlement, the operation ought to take place before the general Balance, and the difference between the Interest of the Dr. and Cr. sides of each Account of the Ledger should be carried back to the Journal, making *Sundries Drs. to Interest* for the Balance in favour of Stock, and *Interest Dr. to Sundries* for the Balance on the other side. These Entries should then be posted to their respective Accounts in the Ledger; and it is common, at the same time, to insert postage of Letters, and other small Charges on Merchandise.

As the calculation of Interest* on numerous Accounts is a task which affords but little variety of instruction, it is omitted in the foregoing Ledger. The Example, p. 172, is deemed sufficient to illustrate the practice, and to show how Interest is carried to an *Account Current*.

* The best mode of computing Interest is by Calculation proved or checked by Tables; and the most ready method of Calculation is by a *Divisor* obtained from the Interest of one Pound for one Day, at the given rate:—Thus at 5 per Cent. per Annum, as $100 : 5 :: 1 . \frac{1}{20}$ and as $365 : \frac{1}{20} :: 1 :: \frac{1 \times 1}{7300}$.

Hence, if the Number of Pounds be multiplied by the Number of Days, and the Product divided by 7300, the Quotient will be the Interest in Pounds.

If there are several Products, add them together, and divide the sum by 7300, and the Quotient is the Interest. Thus, to find the Interest of the Cr. side of the following Account Current: P. 173.

£316	4	0	x	174 =	55018	16	0			
280	0	0	x	103 =	28840	0	0	7300)	144811. 15. 3. (19. 16. 8.	
52	10	0	x	88 =	4620	0	0		73	
954	15	9	x	59 =	56332	19	3		718	
									657	
								144811 15 3		6111
										20 x 12 ÷ 7300

By the above rule, Divisors may be found for all other Rates of Interest: or one Divisor being known, any other may be obtained by Inverse Proportion. Thus, as 5 : 7300 :: 4 : 9125, the Divisor at 4 per Cent., and so of any other rate.

INTEREST FOR DAYS may be also found, at any rate per Cent. per Annum, by the following General Rule:

Multiply the Number of Pounds, the Number of Days, and the Rate together, and divide the Product by 36500.

This rule is obviously deduced from the Theorem, $\frac{p t r}{100 \times 365}$ where *p* denotes the

Principal, *t* the Time, and *r* the Rate: when *r* is 5, the Theorem is evidently $\frac{p t}{7300}$

ACCOUNT-CURRENT BOOK.

THE Account-Current Book contains the Personal Accounts of the Ledger, drawn out in a plain circumstantial form; and all the particulars are set forth as stated in the Journal, or Subsidiary Books. Instead of the collective term *Sundries*, every article is specified; and, for the sake of still greater perspicuity, the pronouns possessive are used in an appropriate manner, as—"To *my* Acceptance of *your* Bill."—"To Balance in *your* Favour," &c.

A copy of each Account of this Book is transmitted to the Person whose name it bears: This Duplicate, which is called his Account-Current, shows how affairs stand between the parties, at the current or present time when made out. The word *Current* may here further imply, *the present state of an Account in its course, or to be continued.*

As every Man of Business is supposed to send in his Bills at certain times, so the Merchant furnishes his correspondent with an Account-Current, which chiefly differs from a Tradesman's Bill in its double purpose of showing the Charges for and against the Correspondent, and in adding Interest upon each Debt, from the day it becomes due to the time of settlement.

In the following Example of an Account-Current, (formed from Fol. 12 of the foregoing Ledger), the Interest is placed at the bottom of the Folio:—It is, however, sometimes entered in a Column adjoining to its Principal, and sometimes in a line immediately after it. The Balance of Interest, if not duly paid, is (with the other Balance of the Account-Current) carried to a new Account, on which Interest is afterwards charged, as on any other Debt. The practice of thus charging Interest upon Interest, though contrary to Law, is sanctioned by the universal practice of Merchants.

The Account-Current Book is made out with the greatest facility at the time of posting the Journal to the Ledger; as, while any transaction is under consideration its particulars are best understood. This practice has, besides, other important advantages in dividing and diminishing labour, and in supplying a Check or Abstract Ledger, by which latter denomination the Account-Current Book is sometimes known.

Dr. Mr. EDWARD WHITE, (Jamaica.) his ACCOUNT

1832.				
Jan. 31	To Amount of sundry Goods of the <i>Hope</i> , as of Invoice.....	652	6	8
Feb. 1	To Premium on £3500 insured of the <i>Faithful</i> , Sullivan, Jamaica to London, at 6 Guineas of Cent. to return 1½ of Cent. for Convoy and Arrives	220	10	0
June 24	To Postage of Letters*	0	15	6
	To Balance in your Favour carried to a new Account.....	732	10	7
London, June 24, 1832.				
<i>Errors excepted.</i>				
A. B.				
		1606	2	9
<i>Dr.</i> ————— INTEREST				
1832.				
				Per Ann. Days.†
Jan. 31	652 6 8 from this Day to June 24—144 a 5 of Ct.	12	17	4
Feb. 1	220 10 0..... Do. —143.....	4	6	4
June 24	Balance carried to Account-Current..	2	13	0
		19	16	8
<p>* The Item for Postage of Letters does not appear in any of the preceding Books, but is introduced here to show that such a charge is customary.</p> <p>† The Number of Days, annexed to each Sum, may be found by subtracting the Difference of the Dates from each Number of Days successively, as in the following Example, taken from the Cr. side of the Interest Account.</p>				

CURRENT with A. B. from Jan. 1 to June 24. Cr.

1832.				
Jan. 1	By Balance due, as φ Account rendered 31st. <i>ult</i>	}	316	4 0
Feb. 17	By a Bill of Exchange, Howe on Tooke, due March 13.			
Feb. 26	By Net Proceeds of 25 Bales of <i>Cotton</i> and 50 Bags of <i>Pimento</i> , φ the <i>Dolphin</i> , as φ Account of Sales, due April 26	}	954	15 9
Mar. 28	By Return of <i>Premium</i> φ the <i>Faithful</i> , £3500 at $1\frac{1}{2}$ φ Cent.			
June 24	By Balance of your Interest Account		2	13 0
			<hr/>	<hr/>
			1606	2 9
			<hr/>	<hr/>
	ACCOUNT			Cr.

1832.		Days.	per Ann.		
Jan. 1	316 4 0	From this Day to June 24	174	at $5\frac{1}{2}$ φ Cl.	7 10 9
* Mar. 13	280 0 0	..... Ditto	103	.....	3 19 0
Mar. 28	52 10 0	..... Ditto	88	.....	0 12 7
* Apr. 26	954 15 9	..... Ditto	59	.....	7 14 4
					<hr/>
					19 16 8
					<hr/>

The First Number being found = 174 Days.
 Then from Jan. 1 to March 13 = 71
 $103 = 2d$ Num. of Days.
 Mar. 13 to Mar. 28 = 15
 $88 = 3d$ Number.
 Mar. 28 to Apr. 26 = 29
 Apr. 26 to June 24 = 59 = 4th Number.
 Now if the Number of Days from April 26 to June 24 be found equal to 59, it affords a proof that all the other Numbers are right.

* It should be observed, that the Dates here of Bills Receivable, and of Sales *per the Dolphin*, differ from those in the Ledger; as, in an Account Current the Interest should be charged only from the time a debt becomes due.

SHIPPING ACCOUNTS & AVERAGES.

TRADING Vessels are mostly held in Shares, and one of the Owners is generally the Manager, or Ship's Husband, for which he is allowed a certain *per-centage* on the whole Amount of the Freight. The manner of settling such an Account is nearly the same as that of any other Partnership concern. See Page 118.

The following Shipping Account (p. 176) has been copied from the Account-Current Book of a Ship's Husband and Part Owner. Here all Expenses incurred by the Voyage are entered on the Dr. side, and the different Receipts for Freight are opposed on the Cr. side. The Balance, or Gain, is diminished so as to make it an even sum, and each Owner is then credited for his share of the same: here the Balance is £1355 9s. 5d. but the sum £1300 only is divided, and the Surplus (£55 9s. 5d.) is reserved in the hands of the Manager to cover contingencies, or to be carried to the credit of the next Voyage, in the same manner as the Reserve of the 7th Voyage is here carried to the credit of the 8th or present Voyage.

In Shipping Accounts an important operation frequently occurs in settling Averages.

AVERAGES are distinguished into General, and Particular; sometimes called Gross, and Simple Averages.

General Average is a proportionable contribution paid by all the Proprietors of a Ship and Cargo for Losses which are made with a view to safety, such as throwing goods overboard, or cutting away masts to prevent Shipwreck; but voluntary sacrifices of this kind must be made by the previous consultation of the Officers and Sailors.

Particular Average is a contribution for such Damages or Losses as may happen from the common Accidents of Sea. Here the Average must be borne or paid by the Proprietors of the article which suffers the damage.

Averages are computed by the rule of *Fellowship*, thus: as the whole Value of any Article to the whole loss, so is each Man's Share of that Article to his proportional Average of the Loss. For instance, if a Ship and Cargo, worth Ten Thousand Pounds, sustain a Loss of One Thousand, an Average of 10 $\frac{1}{10}$ Cent. must be laid on the whole Property.

As this subject will be better understood after inspecting the following Shipping Account,* it will be resumed in page 178, and an Example given both of General and Particular Averages.

* Though the form and purpose of the following Shipping Account may be understood merely by inspection, yet some of the terms may require explanation.

Tonnage—Duty, per Ton.

Custom House Entry—Fees and Expenses in clearing out.

Light Bills—for the support of Light-Houses, Buoys, &c.

Pilotage—from River to the Downs.

Coopers—allowed so much per Hhd. exclusive of every charge.

Premium against Fire—for Three Months, while the Ship remains in the River after her arrival.

Fees—on reporting the Ship, Light Bills as above, and Tonnage Duty inwards.

Constable Hire—Constables attend the Ship till unloaded, to prevent plunderage.

Landwaiters—are allowed by Owners of Ships a Breakfast for each Vessel, and also are paid for the Weights they deliver at customary payment.

Tradesmen's Bills—consist of Sail-makers, and others employed in fitting out, the Ship's Stores included.

Sundry small Bills and Expenses paid by the Captain.

River Pay—an Allowance made to the Sailors, with an Advance of a Month's Wages.

Disbursements—from River out and home; Advances for the Sailors; Stores; fresh Meat in Port; Captain's Expenses in the West Indies; Negro Hire; Drogherage, &c.

Portage Bill—Amount of Sailors' Wages for the Voyage.

Captain's Primage—on Freight out, $2\frac{1}{2}$ per Cent.

Ditto ditto home, Hhds. and Bales, 6d.; Casks, 4d.; Bags, 2d.

On Cotton carried in the Cabin the Captain is allowed half Freight.

Husbandage—the Managing Owner's Allowance or Commission

Dr. OWNERS of SHIP CHARLOTTE.

			£.	s.	d.
1831.					
August	29	To Cash, paid Tonnage Duty	24	9	0
Nov.	11	To ditto, paid Entry, Clearing Out, and Light Bills	21	14	4
	21	To ditto, paid Pilotage	21	0	0
Dec.	22	To ditto, paid Capt. Sims' Order to Beasley	35	15	4
1832.					
April	1	To Premium, &c. on £2,500 insured on Freight, St. Vin- cent to London	146	17	6
		To Cooperage Account 1823, omitted	32	12	7
July	31	To Cash, paid Premium on £5000 insured against Fire	10	15	0
Aug.	13	To ditto, paid Reporting, Light, and Tonnage Duty inwards	41	1	8
		To ditto, paid Constable Hire	16	16	0
Sept.	19	To ditto, paid King's Weighers	6	10	6
October	8	To ditto, paid Premium on £5000 insured against Fire	10	15	0
		To ditto, paid Landwaiter's Breakfast	1	19	0
	28	To ditto, paid Landwaiter's Book	3	3	0
		To ditto, paid William Anderson, Cooperage	22	17	6
		To ditto, paid Trade on Tonnage	6	5	0
		To ditto, paid Tradesmen's Bills, per List	1153	11	10
		To Capt. Sims for the following Disbursements:			
		River out	201	17	8
		River Pay and Month's Advance	234	17	4
		Disbursements from the River out and home	634	7	10
		Amount of Portage Bill	711	8	0
			1782	10	10
		To Capt. Sims for Sundries, viz.			
		Primage on House Freight out	49	10	0
		Ditto ditto home	19	3	8
		Privilege ditto, £3831 15s. 6d. a 2 per Cent.	76	12	6
		Half Freight of 30 Bales of Cotton	45	0	0
			190	6	2
		To Husbandage on £4881 11s. 3d. Total Freight, at 2 per Cent.	97	12	6
		To Commission on £1409. 3s. 9d. Cash, &c. paid, at ½ per Cent.	7	0	10
		To Postage and Stamps	6	15	0
		To a Reserve credited 9th Voyage	55	9	5
		To Owners for Balance, viz.			
		Our. 1-4th	325	0	0
		John Wilson ... 3-16ths	243	15	0
		James Kerr ... 3-16ths	243	15	0
		J. and I. Nixon. 1-16th	81	5	0
		W. Smith 1-16th	81	5	0
		F. Brown 1-16th	81	5	0
		E. Hill 1-16th	81	5	0
		R. Christie. 1-16th	81	5	0
		W. Wheeler 1-16th	81	5	0
			1300	0	0
		Errors excepted.	4995	16	0
		London, 28th Oct. 1832.			

in Account Current with A. B. & Co. Cr.

		£.	s.	d.
1831.				
October	30 By a Reserve from 7th Voyage	32	4	9
1832.				
Feb.	25 By Amount of House Freight out	990	6	9
April	1 By Freight received of Prater and Son	2	15	10
October	26 By Ditto out, received by Captain Sims	56	13	2
	By Amount of Bricks sold per ditto	60	0	0
	By Ship's Share of Two Passengers	22	0	0
	28 By Amount of Homeward Freight	3831	15	6
		4995 16 0		

AVERAGES EXEMPLIFIED:

It has been already observed (P. 174) that General Averages must be borne or paid, in due proportion, by the proprietors of the whole Ship and Cargo; and Particular Averages by the Owners of the Article which suffers damage.

In computing a General Average for Masts, Rigging, &c. cut away, a deduction is made of $\frac{1}{3}$ from the Cost of replacing them, as the new articles are supposed to be so much better than the old; but Goods thrown overboard are valued at the sum they would have netted had they arrived safe.

When a Ship, Cargo, and Freight, are fully insured, the Underwriters or Insurers are responsible to the Proprietors for General and Particular Averages.—A statement of such an Account may be briefly exemplified in the following manner:

Suppose a Ship from Jamaica to London had, in the course of her Voyage, suffered the following Damages; required the General and Particular Average Loss.

GENERAL AVERAGE.

Cost of replacing Masts, Cables, &c. cut away ..	£300	
Deduct $\frac{1}{3}$ for newness	100	
		£200
Anchor lost, which cost		50
10 Puncheons of Rum thrown overboard		200
Sundry Charges of Pilotage, &c.		50
		£500
Amount of General Average Loss ..	£500	

PARTICULAR AVERAGE.

Of 80 Hhds. of Sugar shipped, a part was so much damaged, that the Deficiency of 20 Casks, on a comparison with 60 that arrived free from Damage, was 10 Hhds. which at £25 each, amount to £250

VALUE OF SHIP, CARGO, AND FREIGHT.

Ship valued at	£5000	
Cargo, Net Proceeds, & Account Sales	8000	
Gross Freight	2000	
Portage Bill Deducted	100	
		1900
		£14900

STATEMENT FOR GENERAL AVERAGE.

If £14900 : £500 :: £100 : £3 7s. 1d.

STATEMENT FOR PARTICULAR AVERAGE.

If £2000 (Value of 80 Hhds. of Sugar) : £250 :: £100 : £12 10s.

The Insurers, therefore, will have to pay £3 7s. 1d. $\frac{1}{4}$ Cent. for General Average on £14900, the Value of Ship, Cargo, and Freight; and for Particular Average, £12 10s. $\frac{1}{4}$ Cent. on £2000, the Value of the Sugars.*

In time of War, it is customary with the Insurers to stipulate for a certain Premium, but they agree in case the Ship sail with convoy, and arrive, to return so much per Cent.; and this return is usually made when the Averages (if any) are settled.

Now, suppose the Premium on the above 80 Hhds. of Sugar were 8 Guineas $\frac{1}{4}$ Cent. to return 3 $\frac{1}{4}$ Cent. for Convoy, which took place, the adjustment for Average and return of Premium would stand thus :

	£.	s.	d.
General Average on £2000 at £3 7s. 1d. $\frac{1}{4}$ Cent.	67	1	8
Particular Average, £250	250	0	0
Return of Prem. on £1750 the Value of Sugar that arrived, at 3 $\frac{1}{4}$ Cent.	52	10	0
		369	11 8

The Underwriters must pay the Assured 369 11 8

Which is £18 9s. 7d. $\frac{1}{4}$ Cent.—For,

If £2000 : £369 11s. 8d. :: £100 : £18 9s. 7d.

* The quantum of Damage on Sugars shipped is estimated, without paying any regard to the Invoice from the West Indies, as follows :

	Cwt.	qr.	lb.
Of 80 Hhds. of Sugar, the 60 which were landed free from Damage, weighed at the King's Beam, Gross	840.	0	0
20 Hhds. therefore, on an average, weighed Gross	280	0	0
But the Gross Weight of the 20 Hhds. that were much damaged, was	155	0	0
		125	0 0
		125	0 0
	Cwt.	qr.	lb.
1 Hhd. of the 60 undamaged, was	14	0	0
Tare at the King's Beam	1	2	0
		12	2 0
Net Weight of each Hhd.	12	2	0

And as the Insurance was made at £25 per Hhd. say,

If 12 Cwt. 2 qrs. : £25 :: 125 Cwt. : £250

to be paid by the Underwriters.

FACTORAGE ACCOUNTS.

VARIOUS other Forms of Accounts might be here added, which belong to particular kinds of Business, but their arrangements depend, in some measure, on the taste or judgment of the Book-keeper. It may, however, be proper to notice a form, which is generally observed when two Merchants reciprocally act as Agents and Employers to each other. Such transactions are distinguished by the mark $h | a$, or $m | a$, meaning *his Account*, or *my Account*. For instance, the Account of John Biddle, in the foregoing Ledger (Fol. 10,) might have been opened under two separate heads:—Thus the Sugar and Cotton, which I sold on his Account might have been inserted under the Title, JOHN BIDDLE, $h | a$, and the Adventure from Grenada, which he executed on my Account, under that of JOHN BIDDLE, $m | a$.

These distinctions are peculiarly useful in cases of Bankruptcy; for if an Agent fail, the Employer can claim and recover his Consignments, or any Balances which may be due upon them; but if the Employer himself become insolvent, all such property must be given up to his Creditors.

When Merchants and their Agents reside in different countries, their Books are mostly kept in the currency of the places of their respective residences.—Inner columns are, however, allotted in the Ledger for inserting and comparing the different Currencies, whence an Exchange Account is formed, and the Gains or Losses of this Account are finally carried to Profit and Loss.* See Page 213.

* As-Exchange is a subject necessarily connected with Merchants' Accounts, a short system is here added, which being intended for School practice, is rendered as concise and simple as the nature of the subject would allow. Those places are chiefly noticed which have a direct Exchange with London, and which are comprehended in Lloyd's List; but for a full and universal system with all customs and regulations relating to the subject, see the Universal Cambist, to which the following Tract may serve as an introduction.

APPENDIX.

ON EXCHANGES.

EXCHANGE is the paying or receiving of money in one country for its equivalent in the money of another country, by means of Bills of Exchange. It is here divided into three parts.

- I. On Bills of Exchange.
- II. On the Monies of Exchange, with Rules for calculating their comparative Value.
- III. On Arbitration of Exchanges, with Rules for drawing and remitting to the greatest advantage.

PART I.

ON BILLS OF EXCHANGE.

A BILL OF EXCHANGE is a written Order for the Payment of a certain sum of Money, at an appointed time.

The person who draws the Bill is called the *Drawer*, and he to whom it is addressed the *Drawee*, who is also called the *Acceptor*, when he engages to pay the Bill; and the Person to whom it is ordered to be paid is called the *Payee*.* There are other Persons occasionally concerned in a Bill of Exchange, such as the *Buyer*, or *Remitter*; the *Seller*, or *Negotiator*; and the *Holder*, or *Possessor*.

When the *Holder* of a Bill disposes of it, he writes his name on the back, which is called indorsing, and every Indorser is a security for the payment. The *Payee* should be the first Indorser; and if he indorse the Bill in favour of any particular person, it is called a *Special Indorsement*, and the person to

* See p. 59, Bill 2.—G. Holland is the *Drawer*, G. Binns the *Payee*, and A. B. the *Drawee* and *Acceptor*.

whom it is thus made payable is the *Indorsee*, who must also indorse the Bill if he negotiates it.

When a Bill is presented for acceptance, it is generally left until the next day, and the common way of accepting it is, for the Drawee to write his name at the bottom, with the word *accepted*; but any other writing by him or his clerk, which does not imply a refusal, is deemed a legal acceptance.

If a Bill be refused acceptance, it is put into the hands of a Notary Public, and noted for non-acceptance; and if an accepted Bill be refused payment, it is noted or protested accordingly, and returned to the Drawer, by which he or any of the Indorsers are liable to pay the Bill, with all Costs; but if the Holder make any unnecessary delay in returning it, he can sue the Acceptor only.

The TERM of a Bill varies according to the agreement of the parties, or the custom of the countries: some Bills are drawn at sight, others at a certain number of days after sight, or after date, and some are drawn at *Usance*.

USANCE is the usual Term of Bills between certain places, such as One, Two, or Three Months after date, and Double or Half Usance means Double or Half the Usual time.*

DAYS OF GRACE are a certain number of Days granted after the Term of a Bill is expired; in the British dominions and America, three days are allowed, except for Bills at sight, which must be paid when presented.†

The PAR OF EXCHANGE ‡ is the intrinsic Value of the Money

* When the Term of a Bill is expressed in Months, Calendar Months are understood.—Thus, if a Bill at One Month be dated Jan. 1, the Term or Month expires Feb. 1; and if the Bill were dated Jan. 28, 29, 30, or 31, the Month would expire on the last day of February; but on Leap Year allowance must be made for the intercalary day.

† In other Countries, Days of Grace, though fixed, are seldom taken, unless in cases of failure or distress. No legal proceedings, however, can be commenced until such Days are expired.

‡ The Intrinsic Par of Exchange is not, in general, accurately fixed, on account of the frequent alterations made in the Coins of different Countries, and of the fluctuations in the comparative Value of Gold and Silver. The true Par should be computed by putting Gold against Gold, and Silver against Silver. The Pars here given (P. 185) are not therefore to be considered perfectly accurate, but they are sufficiently so to show whether the Course of Exchange is favourable or unfavourable to a place.

For exclusive computations of the Pars of Exchange, Gold against Gold, and Silver against Silver, see the *Universal Cambist*, Vol. II. P. 146. 2d Edit.

of one country, compared with that of another country, with respect both to the Weight and Fineness.*

The COURSE OF EXCHANGE is the current price of Monies of Exchange, as established between different places. This rate or price is seldom at par, but fluctuates, according to the circumstance of Trade, or the demand for Bills.

By the operation of Bills of Exchange, reciprocal debts, due in distant places, are discharged, without the risk or expense of remitting Specie.

Suppose, for example, *A.* of London is Creditor to *B.* of Paris £100, and *C.* of London Debtor to *D.* of Paris £100, both Debts may be discharged by a transfer of Debtors and Creditors, thus, *A.* draws a Bill on *B.* which *C.* purchases and remits to *D.*

Here *C.* of London pays *A.* of London, and *B.* of Paris pays *D.* of Paris; and in this manner equal Debts may be settled without sending Money from one place to another.

But when the Debts between two places are unequal, the balance must be remitted either in Money or Bills; and as the latter mode is the most convenient, the increased demand for Bills enhances their price; or, in other words, raises the Course of Exchange in favour of the place where the balance is to be sent, and *vice versâ*.

Hence the fluctuation in the Course of Exchange arises from the Balance of Payments; and this is mostly caused by the Balance of Trade, which is the difference between the commercial Exports and Imports of any one place with respect to another—for instance, if the Exports of London to Paris be £100, and her Imports from the same place £200, the Balance of Trade is against London, and in favour of Paris.

Now, if London send the Balance to Paris in Bills, the demand may be supposed to raise their price; and if the Par be-

* By Fineness is understood the proportion of pure Gold or Silver, and of Alloy in any Coin. In England the Standard of Gold is 22 Carats fine: that is, 22 Parts of pure Gold and 2 of Alloy. The Standard of Silver is 11 oz. 2 dwts. of pure Silver to 18 dwts. of Alloy, making together one Pound Troy. This Standard is said to have been fixed in the Reign of Richard I. by persons from the eastern parts of Germany, called *Easterlings*, and hence the word *Sterling*, which is applied to all lawful Money of Great Britain. Various other derivations, however, of *Sterling* are given by good Authorities.

tween those places be 25 Francs for £1 Sterling; but, on account of the scarcity of French Bills, the Course of Exchange is only 24 Francs; in such case, London loses by the Remittance, and instead of £100. must pay £104 3s. 4d. for as $24 : 25 :: 100 : \text{£}104 \text{ 3s. 4d.}$

When the Course of Exchange runs high against any place, it becomes the interest of individuals there to remit their Balances in Specie, instead of Bills. Such Remittances tend to reduce the Price of Exchange nearer to Par; but they are sometimes considered injurious to the Country from whence they are made.

PART II.

MONIES OF EXCHANGE:

WITH

Rules and Examples for calculating their comparative Value.

MONIES of Exchange and Monies of Account are generally the same; and in some places they are *imaginary*.

The Course of Exchange is distinguished into the *certain* price, and the *uncertain*:—thus London gives a *certain* fixed sum (the Pound Sterling) for an *uncertain* or variable price of the Money of France, Holland, Hamburgh, Genoa, &c.: and London gives an *uncertain* or fluctuating price for a *certain* sum of the Money of other trading Places; such as for the Piastre of Spain, the Milree of Portugal, or the Pezza of Leghorn, the Ducat of Naples, the Oncia of Palermo, &c.

The Course of Exchange is always reckoned in the variable or uncertain price—and the Lists containing such prices, which are circulated among Merchants, are called *Quotations*.

N. B. *The Monies of Exchange have undergone several alterations of late years, and they are accordingly corrected in the following pages.*

LLOYD'S LIST EXPLAINED.

Also the Par, Usance, and Days of Grace, with respect
to London. (1832.)

	Course of Exchange.	Par nearly.	Explanation.	Usance.	Days of Grace.
Amsterdam	12. 2	12. 0	Flor. & Stiv. φ £. Ster.	1 m|d	6
Hamburgh	13.11	12.14	{ Marks & Sh. Ban- co φ £. Ster. }	1 m|d	12
Paris	25.50	25.22	Francs & Cen φ £. Ster.	30 d|d	—
Francfort..	150	140	Batzen φ £. Sterling.	14 d|s	4
Madrid....	36	39	Pence Ster. φ Piastria	2 m|d	14
Gibraltar..	46	51 $\frac{3}{4}$	Pence Ster. φ Hd. Dol	2 m|s	3
Leghorn ..	48	49	Pence Ster. φ Pezza.	3 m|d	—
Genoa	25.50	25.22	{ Ital. Lire. & Cen- times φ £. Ster. }	3 m|d	—
Venice ...	46	58	{ Pence Ster. for 6 Lire. d'Austria }	3 m|d	6
Naples....	39 $\frac{1}{4}$	41 $\frac{1}{2}$	Pence Ster. φ Ducat.	3 m|d	3
Palermo ..	117	124	Pence Ster. φ Oncia.	30 d|d	—
Lisbon	46 $\frac{1}{4}$	See p.193	{ Pence Ster. φ Mil- ree, legal Money }	30 d|d	6
Dublin.	1 $\frac{1}{4}$		101 $\frac{1}{4}$ Irish for 100 Ster	21 d|d	3

By comparing the *Course* with the *Par*, it may be seen whether the Exchange is favourable or unfavourable to any Place by the following Rule:

The lower the Course of Exchange is, the more favourable to the Place in whose Money it is reckoned, and vice versá.

From the above columns it appears that the Exchange is in favour of London in every instance.

But in all such comparisons allowance should be made for the relative demand for Bullion and the Interest of Money, for the time that Bills have to run.

AMSTERDAM.

There were formerly two Sorts of Money in Holland, called *Banco* and *Currency*—but the latter only is now used.

Accounts are kept in Florins or Guilders, Stivers, and Pennings; and sometimes in Pounds, Shillings, and Pence Flemish.

- 16 Pennings = 1 Stiver (= 2 Pence Flemish.)
- 20 Stivers = 1 Guilder, or Florin.
- 2½ Guilders = 1 Rix-Dollar.
- 6 Guilders = 1 Pound Flemish.

ALSO,

- 8 Pennings = 1 Groot, or Penny Flemish.
- 12 Pence = 1 Shilling.
- 20 Shillings = 1 Pound.

Dutch Money is reduced to English by saying,—*As the given Rate of Exchange, is to £1 Sterling, so is the given Dutch to the Sterling sought*:—and sterling is reduced to Dutch by reversing this analogy. *On the same principle all other Exchanges are computed.*

At present (1832) Amsterdam exchanges on London in Pounds, Shillings, and Pence, Flemish; and London on Amsterdam in Florins, Stivers, and Pennings, Dutch. Sometimes also in Florins and Centimes.

EXAMPLES.

Reduce 8132 Guilders or Florins, 16 Stivers into Sterling; Exchange at 10 Current Florins, 8 Stivers per Pound Sterl. (= 34s. 8d. Flem.)

If	G.	S.	L. St.	::	8132	Stiv.	16
	10	8	1			162656	(782 Answ.)
	20				1456		
					£.		
	208	208	162656	(782	Answ.)		
			1705	&c.			
			1664				
			416				
			416				
			...				
Reverse Analogy.							
As	L.	G.	S.	L.	Guild.	Stiv.	
1	10	8	1	::	782	8132	16

				By Centimes.			
				$8 = \frac{8}{21} = ,40$			
				$16 = \frac{16}{30} = ,80$			
If	10,40	:	1	::	8132,80	:	782

When the Price is given in Flemish, say—							
As	34	8	:	1	:	8132	16
	6					20	
	208	208	162656	(782	£)		

Reduce £852 12s. 6d. Sterling into Dutch Money; Exchange at 10 F. 6 St. 4 Pen. φ Pound Sterling = 34s. 4½d. Flem.

L. St.	Fl. St. Pen.	L. S. D.	
If 1 : 10 6 4 :: 852 12 6			
20	20	20	
20	206	17052	
12	16	12	
240	3300	204620	
		3300	
		————— 16	
		24,0)67527900,0(2813662½	
		480	2,0)17585,3 14½
		195	Guild. 8792,13 14½
		192	
		————— 32 &c.	

DECIMALLY.	
If 1 : 10,3125 :: 852,625	
	10,3125
	—————
	8792,6953125
	20
	—————
	13,9062500
	16
	—————
	14,5000000

In the same manner this question might be performed by Centimes, making the rate of Exchange 10 Florins 51½ Centimes.

If the above Course of Exchange had been given in Flemish, the Operation would be as follows:—

L. St.	Fl. S. D.	L. S. D.	Fl. St. Pen.
If 1 : 34 4½ :: 852 12 6 : 8792 13 14½			
12	20		
412	17052		
8	12		
3300	204630		
	3300		
	————— 16		
	24,0)67527900,0(2813662½		
	480	2,0)17585,3	14½
	195	Guild. 8792,13	14½
	192		
	————— 32 &c.		

OR THUS BY PRACTICE.	
10s = ½	.. 852 12 6
4 = ½	.. 426 6 3
4d = ¼	.. 170 10 6
½ = ⅛	.. 14 4 2½
	1 15 6¼ + ¼
£. Fle.	1465 8 11¾
	6
Guild.	8792 8
Stiv.	5 8 = 11d
Pen.	6 = ¾
	¼ = ⅛
Guild.	8792 13 14½

QUESTIONS FOR EXERCISE.

Reduce 5279 Guilders, 11 Stivers, 4 Pennings into Sterling; Exchange at 33s. 6d. Flemish φ £. Sterling; with proof by the reverse operation also by Centimes.

Answer. £525 6s. 7⅞d.

Reduce 2401 Florins, 17 Stivers, 8 Pennings, into English Money; Exchange at 12 Florins, 4 Stivers φ £. Sterling, with proof as above.

Answer. £196 17s. 6d.

HAMBURGH.

There are two sorts of Money at Hamburgh, called *Banco* and *Currency*.* *Banco* bears a considerable Premium, the *Agio* being from 18 to 25 $\frac{1}{2}$ Cent.; and all Bills of Exchange are valued and paid in Banco,

Accounts are kept in Marks and Shillings, both *Banco* and *Currency*—Also in Pounds, Shillings, and Pence *Flemish*; the latter is an imaginary money, formerly used in Exchanges, but now nearly obsolete. It should, however, be well understood for the settlement of old accounts. At present Hamburgh exchanges chiefly in Marks of 16 Shillings, Banco.

12 Phennings	= 1 Shilling Banco	} Hambro' Banco and Currency, or Lubs.†
	Gros or Sol	
16 Shillings	= 1 Mark	
3 Marks	= 1 Rix-Dollar	

ANCIENT METHOD.

6 Phennings	= 1 Groot, or Penny	} Flemish.
12 Pence	= 1 Shilling	
20 Shillings	= 1 Pound	

HENCE,

6 Shillings Ham- bro' Banco }	= 1 Shilling Flemish, and therefore
3 Marks Banco	= 8 Shillings Flemish.

-
- * The Monies of Hamburgh may be more particularly distinguished under Five Heads,
 I. *Bank Money*, which is inscribed in the Bank Books, and transferred in Payment from one Person to another.
 II. *Specie*, or the hard Rix-dollar, worth (full weight) about $\frac{1}{2}$ per Cent. more than Banco.
 III. *The Gold Ducat*, which is about 1 per Cent. better or worse than Banco, according to the Price of Bullion.
 IV. *Light Coin*, composed chiefly of Foreign Monies, which lose about 38 per Cent. against Banco.
 V. *Currency*, which consists of various denominations of Silver Money coined at Hamburgh since the year 1726.

The Par between Hambro' Banco and Currency is reckoned at 23 or 24 per Cent. *Agio*, or 13 Marks Banco for 16 Marks Currency.—The Par between English Money and Currency is 43s. Flem. for £1 Sterl.; but there can be no permanent Par with Banco, because the *Agio* is fluctuating.—If the *Agio* be 23, one Pound Sterl. equals 34s. 11 $\frac{1}{4}$ d. but by the estimate of Merchants, the Par is from 34s. to 34s. 10d. varying according to the price of gold and silver, and the fluctuation of the *Agio*.

† Hamburgh Money was formerly distinguished by the word *Lubs*, from being coined after the rate of the Convention of Lubec: thus the Marco Lubs, to the Marco Banco, is as 1,52 Franc to 1,83, according to the most recent and authentic valuation.

Reduce 3965 Marks, 10 Shill. Banco into Sterling; Exchange at 35s. 3d. Flemish φ £. Sterling.

	Fl.S.	D.	L.St.	Marks.	S.
If	35	3	: 1	:: 3965	10
	12			16	
	423			63450	
				2	

or thus by Marks:

35s. 3d. = 18mks. 3s. 6pen.

Mks. Sh. Pen. L. Marks. Sh L. Ster.
As 13 3 6 : 1 :: 3965 10 :: 300

423)126900 (£300 Ster. Answ.
1269

Reduce £300 Sterl. into Marks and Shillings Banco; Exchange at 13 m. 3½s. φ £. Sterling. = 35s. 3d. Flem.

	L.	S.	D.	L.
If	1	: 35	3	: 300
		12		
	423			
	300			
	32)	126900	Marks. S.	(3965 10
		96		
		309 &c.		

OR THUS DECIMALLY.

S.Fl. Marks. S.
20—7,5 :: 35,25

Reduced = 4 1,5 1,5

4)52,875

Marks in 1 £. St. 13,21875
300

Marks in 300 £. St. 3965,62500
16

Shill. 10,0000

Reduce 4500 Marks Lubs into Sterling; Exchange at 35s. 6d. Flemish φ £. Sterling, and Agio 20 φ Cent.

If 120 : 100 :: 4500 : 3750.

Again—If $\frac{S.}{35} \frac{D.}{6} : 1 :: \frac{L.Sterl.}{3750} \frac{M.Banco.}{281} \frac{L.Sterl.}{13} \frac{S.}{9\frac{1}{2}}$ Answer.

OR THUS BY THE CHAIN RULE, see p. 203.

4500 Marks Currency.

Current Marks 120 = 100 Marks Banco.

Marks Banco.. 3 = 8 S. Flemish.

Flemish S..... 356 = 1 £. Sterling.

£. s. d.
Products 12780 \div)3600000(281 13 9½.

Reduce 8234 Marks, 10 Shillings Banco into Sterling; Exchange at 12m. 11s. φ £. Sterl.—Answer £649 0s. 8¼d.

Reduce 8732 Marks Lubs into Sterling; Exchange at 12m. 14½s. Banco φ £. Sterling, Agio 20 φ Cent.

Answer £563 16s. 2¼d.

PARIS.

ACCOUNTS in France were formerly kept in Livres, Sous, and Deniers, but of late years in Francs and Centimes.

- 12 Deniers = 1 Sou, or Sol.
- 20 Sous = 1 Livre Tournois.
- 3 Livres = 1 Ecu.

NEW NOTATION.

- 10 Centimes = 1 Décime.
- 10 Décimes, or 100 Centimes = 1 Franc.
- 20 Francs = 1 Napoleon, or Louis d'or.

One Franc, or new Livre = 243 Deniers, being $1\frac{1}{3}$ Cent. better than the old Livre Tournois, which = 240 Deniers.*

Hence, as 80 : 81 :: Francs : Livres.

EXAMPLES.

Reduce 197 Francs, 75 Centimes, into Livres, Sous, and Deniers.

Fr.	Liv.	Fr.Centimes.
If 80 : 81 :: 197,75		
		81
		<u>19775</u>
		158200
		<u>80)16017,75</u>
Livres.	200,221875	
	20	
	<u>Sous. 4,437500</u>	
	12	
	<u>Den. 5,250000</u>	

REVERSE OPERATION.

4 Sous =	Liv. 200,2
5 Den. =	,0208333 $\frac{1}{3}$
$\frac{1}{4}$ Den. =	,0010416 $\frac{2}{3}$
	<u>200,2218750</u>
	80
	<u>81)16017,7500000(197,75</u>
	81
	<u>791 &c.</u>

* Francs and Livres were formerly synonymous, but in the Coinage of 1795, the 5 Livre Pieces were, by some accident, made too heavy, being worth $101\frac{1}{3}$ Sous instead of 100; the new Franc has been therefore adopted in conformity to this accidental value.

It should, however, be observed, that in the common course of business, and especially in Exchanges, Francs and Livres are reckoned the same.

Paris exchanges with London by giving a variable number of Francs and Centimes for the Pound Sterling. Formerly France gave Livres, Sous, and Deniers, for the Pound Sterling; and also the Ecu of 3 Livres for a variable number of English Pence.

EXAMPLES.

Reduce 7909 Francs, 65 Centimes, into English Money; Exchange at 23 Francs, 75 Centimes φ £. Sterling.

<p>Francs. Francs.</p> <p>If 23,75 : 1 :: 7909,65</p> <p style="text-align: center;">1</p> <hr style="width: 20%; margin: auto;"/> <p style="text-align: right;">23,75)7909,65(333,0379</p> <p style="text-align: right; margin-right: 10%;">7125 20</p> <hr style="width: 20%; margin: auto;"/> <p style="text-align: right; margin-right: 10%;">7846 0,7580</p> <p style="text-align: right; margin-right: 10%;">7125 12</p> <hr style="width: 20%; margin: auto;"/> <p style="text-align: right; margin-right: 10%;">7215 &c. 9,0960</p>	<p style="text-align: center;">REVERSE ANALOGY.</p> <p>If 1 : 23 75 :: 333 0 9 : 7909,65.</p>
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Reduce £875 17s. 6d. into Livres, &c.; Exchange at 23 Liv. 15 Sous, φ £. Sterling.

<p>L. Liv. Sous. L. S. D.</p> <p>If 1 : 23 15 :: 875 17 6</p> <p>20 20 20</p> <hr style="width: 20%; margin: auto;"/> <p>20 475 17517</p> <p>12 12</p> <hr style="width: 20%; margin: auto;"/> <p>240 210210</p> <p style="text-align: right; margin-right: 10%;">475(2,0</p> <hr style="width: 20%; margin: auto;"/> <p>24,0)9984975,0(4164,0625</p> <p style="text-align: right; margin-right: 10%;">96 12</p> <hr style="width: 20%; margin: auto;"/> <p style="text-align: right; margin-right: 10%;">38 20802 : 0 : 7,500</p>	<p style="text-align: center;">DECIMALLY.</p> <p style="text-align: center;">L. Liv. L.</p> <p>If 1 : 23,75 :: 875,875</p> <p style="text-align: right; margin-right: 10%;">23,75</p> <hr style="width: 20%; margin: auto;"/> <p style="text-align: right; margin-right: 10%;">20802,03125</p> <p style="text-align: right; margin-right: 10%;">20</p> <hr style="width: 20%; margin: auto;"/> <p style="text-align: right; margin-right: 10%;">0,62500</p> <p style="text-align: right; margin-right: 10%;">12</p> <hr style="width: 20%; margin: auto;"/> <p style="text-align: right; margin-right: 10%;">7,50000</p>
--	--

Reduce 6524 Francs, 40 Centimes, into Sterling; Exchange at 21 Fr. 80 Cents. φ £. Ster.—Answ. £299 5s. 8¼d.

Reduce £728 15s. into Francs and Centimes; Exchange at 23 Francs, 50 Centimes φ Pound Sterling.
Answ. 17125 Francs, 62½ Centimes.

Reduce 2385 Livres, 11 Sous into Sterling; Exchange at 25¼d. Sterling φ Ecu of 3 Livres.—Answ. £85 14s. 7¼d.

MADRID.

ACCOUNTS in Spain are principally kept in Piastres, Reals, and Maravedis.*

- $8\frac{1}{2}$ Maravedis = 1 Quarto.
- 4 Quartos or 34 Marav. = 1 Real, or Rial.
- 8 Reals = 1 Piastre, or Dollar of Ex.
- 4 Piastres = 1 Pistole of Exchange.
- 375 Maravedis = 1 Ducat of Exchange.

Exchanges between Spain and England are mostly negotiated by the Piastre, also called the *Peso de Plata*, or the Dollar of Exchange.

* There are several other modes of keeping accounts in different provinces of Spain, and likewise various denominations of Money. The principal are *Vellon*, *Old plate*, *New plate*, and *Mexican plate*; and though these differ in value, they are all reckoned in Pieces of 8 Reals, and the Real is mostly divided into 34 Maravedis, and sometimes into Quartos. The following are their proportions to each other.

VELLON or BILLON is the common Money of Account used in inland trade. The Real Vellon is $\frac{1}{3}$ th part of the Silver Dollar, and it is divided into $8\frac{1}{2}$ Quartos, and 17 Ochavos, as well as into 34 Maravedis.

OLD PLATE is chiefly used in Exchanges and foreign trade; 17 Reals of old plate are worth 32 Reals Vellon.—When plate only is expressed, Old plate is understood.

NEW PLATE is double the value of Vellon, and $\frac{1}{18}$ better than old plate.

MEXICAN PLATE is $\frac{1}{4}$ better than new plate, $\frac{8}{21}$ better than old plate, and $2\frac{1}{2}$ times better than Vellon. The Dollar Mexican is the common Silver Dollar, and is mostly called the *Hard Dollar*, to distinguish it from imaginary Monies.

<p style="text-align: center;">Reals.</p> <p>The Hard Dollar = 8 Mexican plate = 10 New plate = $10\frac{5}{8}$ Old plate = 20 Vellon</p>		<p style="text-align: center;">Reals.</p> <p>Hence 4 Mexican plate = 5 New plate 16 New plate = 17 Old plate 17 Old plate = 32 Vellon 85 Old plate = 64 Mexican.</p>
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At BILBOA, Exchanges are sometimes transacted in hard Dollars, and each is divided into 20 Reals Vellon.

GIBRALTAR exchanges by the *Current Dollar*, which is $\frac{2}{3}$ of the *Hard Dollar*. It is divided into 8 Reals of 16 Quartos each. Thus the Hard Dollar is reckoned at 12 Current Reals. And 85 Dollars of Exchange = 96 Current Dollars.

GIBRALTAR sometimes exchanges in hard Dollars (called *Cobs*), and Accounts are mostly kept in this money; that is, in Cobs of 12 Reals, the Real being divided into 16 Quartos.

There are, besides the above, *Reals* of local value, which are merely divisions of principal Monies of Account in different provinces, particularly in Alicant, Catalonia, and Valencia. Thus the Hard Dollar is worth $13\frac{3}{2}$ Reals of Alicant, $17\frac{1}{4}$ Reals of Valencia, $12\frac{1}{3}$ Reals of Catalonia, or $18\frac{1}{2}$ Reals, Ardites of Alicant.

Reduce 2375 Piastres, 6 Reals, 17 Maravedis, into Sterling, at 34d. φ Piastre.

Pias.	D.	Pias.	Reals.	Marv.	Reverse Analogy.
If 1 :	34 ::	2375	6	17	$\begin{matrix} D & R & L \\ As & 34 : 1 :: & 336 \text{ \&c.} \end{matrix}$
8		8			
8		19006			
34		34			
272		646221			

$\times 34 \div 272 = \text{£}336 \text{ 11s. } 5\frac{1}{2}\text{d.}$

Reduce 4326 Dollars of Old Plate, 6 Reals, 25 Maravedis, into Sterling; Exchange at 38 $\frac{3}{4}$ d. φ Piastre or Dollar of Old Plate.

Answ. $\text{£}691 \text{ 16s. } 10\frac{1}{2}\text{d.}$

Reduce 16144 Piastres, 4 Reals, 22 Maravedis Vellon, into Sterling; Exchange at 34 $\frac{1}{2}$ d. φ Dollar of Exchange.

Answ. $\text{£}1232 \text{ 18s. } 3\frac{3}{4}\text{d.}$

Reduce 2754 Hard Dollars, 8 Reals, 11 Mar. into Sterling; Exch. at 52 $\frac{1}{2}$ d. φ Dollar of Exch. (See *Bilboa*, p. 192.)

Answ. $\text{£}800 \text{ 4s. } 7\frac{3}{4}\text{d.}$

LISBON.

IN Portugal Accounts are kept in Milrees and Rees, and they are distinguished by a mark set between them;—thus, 782 \oplus 355, that is, 782 Milrees, 355 Rees.

1000 Rees = 1 Milree.

400 Rees = 1 Crusado.

As Rees are Decimal Parts of a Milree, Exchanges are calculated by Decimals. Hence the decimal point may divide them.

Three sorts of Money are at present used in Portugal, namely, *Effective*—or Specie;—*Paper Money*, which is at a considerable discount; and *Legal Money*, which consists of half specie and half paper.

Reduce 827 Milrees 160 Rees into Sterling: Exchange at 63 $\frac{3}{8}$ d. φ Milree.—Answ. $\text{£}218 \text{ 8s. } 5\frac{1}{4}\text{d.}$

Reduce 232 Milrees 650 Rees, Paper Money, to legal, discount against Paper 20 per Cent? Say as 100 : 90 :: 232, 650, to 206, 800 the Answer. And for the contrary operation reverse the analogy.

Reduce 28 Mil. 640 R. legal to effective at 15 $\frac{1}{2}$ Cent. discount on Paper against effective.

Say, as 100 : 100 — $\frac{1}{2}$:: 28,640 : 26,492 the answer.

LEGHORN

KEEPS Accounts in Piastres or Pezze, Soldi, and Denari; and Exchanges with London are likewise computed by these denominations.

12 Denari = 1 Soldo.

20 Soldi..... = 1 Piastre, or Dollar.

Reduce 1876 Piastres, 12 Soldi, 6 Denari, into Sterling at 50 $\frac{1}{4}$ d. $\frac{1}{4}$ Piastre.—Answer, £392 18s. 4 $\frac{1}{4}$ d.

GENOA, TURIN, and all other places in the dominions of the King of Sardinia, exchange in Lire or Livres of 100 Centimes, similar to the monies of France, as decreed in 1826.

VENICE, NAPLES, PALERMO, &c. exchange with London, as stated in P. 185, and the operations are deemed too simple to require illustration.

The same may be observed of the following places, which, though not mentioned in Lloyd's list, should be stated here with their usual courses of Exchange.

PETERSBURG	gives the Rouble for 10d. Ster. more or less	} For the Pound Sterling, more or less.
BERLIN	gives 8 Rix-dollars of 24 Groschen	
VIENNA & TRIESTE	give 11 Florins of 60 Creutzers	
GOTHENBURG	gives 4 $\frac{1}{2}$ Rix-dollars of 48 Shil.	
COPENHAGEN	— 6 Rix-dollars of 96 Shil.	
DANTZIC	— 25 Florins of 30 Groschen	
KONIGSBERG	— 19 Florins of 30 Groschen	
CONSTANTINOPLE and SMYRNA	} give 18 Piastres of 80 Aspers	

EAST INDIES.

THE most general coin of India is the Silver Rupee, which varies in value in different places, from about 20 Pence to 26 Pence sterling. It is also a money of Account and of Exchange, and is generally divided into 16 Annas, and each Anna into 12 Pice.

The Rupee of Bombay, however, is divided into 4 Quarters, and each Quarter into 100 Rees, similar to the divisions of the Crusado of Lisbon. See P. 193.

At Madras accounts were formerly kept in Pagodas, of 45 Fanams, each Fanam 80 Cash, a method which is still partially retained; but all the Company's accounts are kept as at Calcutta, in Rupees of 16 Annas, each Anna 12 Pice.

The Rupees of Account throughout India are called Current Rupees, but in the Company's books they are converted into Sicca Rupees by adding 16 $\frac{1}{4}$ Cent. to each. Thus, 100 Sicca Rupees equal 116 Current Rupees.

Exchanges in India are chiefly negotiated between the three Presidencies, namely, Calcutta, Madras, and Bombay; also between each Presidency and London, according to the following Rates, more or less.

	ON LONDON, 6 Months' Sight.	ON BENGAL, 30 Days' Sight.	ON MADRAS, 30 D	ON BOMBAY, 30 Days' Sight.
CALCUTTA	1s. 10 $\frac{1}{2}$ d. per Sicca Rupee		92 to 96 Sicca Rupees per 100 Madras Ru- pees	98 Sicca Rupees per 100 Bom- bay Rupees
MADRAS...	1s. 10d. per Madras Rup.	107 Madras Rupees per 100 Sicca Rupees		100 Madras Ru- pees per 102 Bombay Rupees
BOMBAY ..	1s. 9d. per Bombay Rup.	105 Bombay Rupees per 100 Sicca Rupees	99 $\frac{1}{2}$ Bombay Rupees per 100 Madras Ru- pees	

Reduce 4233 Sicca Rupees into Current Rupees, at 16 $\frac{1}{4}$ Cent.

Answer 4910 C.R. 4 A. 5 P. $\frac{1}{4}$ $\frac{5}{8}$.

Reduce 7654 Rupees, 12 Annas, 6 Pice, into Sterling, Ex-
change at 1s. 10 $\frac{1}{2}$ d. $\frac{1}{4}$ Rupee. Answer £717 12s. 8 $\frac{1}{2}$ d. $\frac{5}{16}$.

Let the above Answers be proved by reverse statements.

AMERICA AND THE WEST INDIES.

In America and the West Indies, the methods of keeping accounts are various, as each settlement generally preserves the Money or Notation of the Country by which it was first colonised. Thus,

In Spanish America, accounts are kept in Dollars of 8 Reals and 128 Quartos.—In the Brazils, in Milrees and Rees; and in North America and several of the West India Islands, in Pounds, Shillings, and Pence, Currency.

Currency is an imaginary money, inferior to Sterling; and its value varies considerably in different places. A uniform way, however, of keeping accounts, by Dollars and Cents, has been of late years established in the United States. The Dollar, which is reckoned at 4s. 6d. Sterling, is divided into 10 Dimes, 100 Cents, and 1000 Mills; and 10 Dollars make the American Eagle. This decimal system is used in Public Accounts and Foreign Exchanges;—but in the common concerns of trade and business, the currencies are still partially retained.

A Table of the Currencies of the United States, with their Sterling and Federal Value.

Sterling value.	N. Hamsh. Massa.R.Isl. Conn. Virg.		New York. N. Carol.		New Jersey. Pens. Dela. and Maryl.		S. Carol. Georgia.		Federal Value.				
	£.	s. d.	£.	s. d.	£.	s. d.	£.	s. d.	Eagles.	Dollars.	Dimes.	Cents.	Mills.
0 4 6	0	6 0	0	8 0	0	7 6	0	4 8	0	1	0	0	0
1 0 0	1	6 8	1	15 6 $\frac{2}{3}$	1	13 4	1	0 8 $\frac{8}{9}$	0	4	4	4	4
100 0 0	133	6 8	177	15 6 $\frac{2}{3}$	166	13 4	103	14 0 $\frac{8}{9}$	44	4	4	4	4
Ratio of Ster.toCur.}	3 to 4		9 to 16		3 to 5		27 to 28		From these proportions the Currencies may be easily reduced one into another.				
Ster. Val. of £1 Cur.}	=0 15 0		=0 11 3		=0 12 0		=0 19 3 $\frac{2}{7}$						

The Currencies of the West Indies likewise vary, and regulate the value of the Dollar. Thus in Jamaica the Currency is £140 for £100 Sterling, and the Dollar 6s. 8d. The Leeward Currency is £200 for £100 Sterling, and the Dollar 9s.

These Currencies are nominally continued, and any variation in the price of Exchange is regulated by a per-centage, either as a premium or discount; the same may be observed of the Exchanges in Federal Money, which are varied by a premium or discount above or under Par.

EXAMPLES IN CURRENCY.

Reduce £845 17s. 6d. Currency into Sterling; Exchange at 80 ¢ Cent.

	Cur.	Sterl.			
	180	: 100			PROOF.
Reduced	18	: 10			469 18 7½
{	9	: 5	:: 845 17 6		9
			5		5)4229 7 6
			9)4229 7 6		845 17 6 Cur.

Answer 469 18 7½ Sterl.

Reduce £1780 Jamaica Currency into Sterling; Exchange at 40 ¢ Cent.—Answer. £1271 8s. 6¼d.

Reduce £917 18s. Sterling into Currency, at 60 ¢ Cent. with a Premium of 5 ¢ Cent.—Answer. £1514 10s. 8⅓d.

EXAMPLES IN FEDERAL MONEY.

Reduce 1783 Dollars 80 Cents to Sterling at Par.

1783,80
4,5
891900
713520
2,0)802,7,100
12

Or thus:
multiply by 9 and
divide by 40, and
vice versa.

Ans. 401 7 1,2

Reduce 4282 Dollars 50 Cents. into Sterling; Exchange at 2 ¢ Cent. above Par, and 4s. 6d. ¢ Dollar.

Dolls. Cts. Dolls. Cts.

As 100 : 102 :: 4282 50 : 4368 15

Doll. s. d. Dolls. Cts. £. s. d.

And as 1 : 4 6 :: 4368 15 : 982 16 8 Answer.

Reduce 3646 Dollars 50 Cents. into Sterling; Exchange at 2 ¢ Cent. under Par.—Answer. £804 7s. 6d.

Reduce £982 16s. 8d. Sterling into Federal Money; Exchange at 2 ¢ Cent. above Par.—Answer. 4282 Dollars 50 Cents.

PART III.

ARBITRATION OF EXCHANGE,

WITH

Rules for Drawing and Remitting to Advantage.

ARBITRATION OF EXCHANGE is a comparison made between the Exchanges of different Places, for the purpose of negotiating Bills to advantage.

In the Negotiation of Bills of Exchange, there are two parties principally concerned; namely, Sellers of Bills, called *Drawers*, and Buyers of Bills, called *Remitters*; and their Interests are opposite with respect to the Price or Course of Exchange.

In direct Exchange, that is, when Bills are negotiated between two places only, the interest or advantage of the Drawer is the same as the interest of the place on which he draws, and the reverse takes place with regard to the Remitter.—Suppose, for example, *A.* of London wants to remit a Bill to Dublin of £100 Irish,* which Bill he purchases of *B.* of London, Exchange at 10 $\frac{1}{2}$ Cent. the Bill will cost £90 18s. 2d.; but had the Course of Exchange been higher, that is, more in favour of London, the Bill would have cost less. Suppose the Rate to be 11 $\frac{1}{2}$ Cent. the Bill will then cost only £90 1s. 10d.—Thus, when the Exchange is in favour of London, it is in favour of the London Remitter, and against the London Drawer, and *vice versa*.

* Bills of Exchange are mostly drawn in the Money of the Places where they are to be paid; and here it is proper to observe that although the monies of Ireland were assimilated to those of England in 1825, yet the above example, which was previously drawn up, is continued here, as it may serve to illustrate all similar operations of exchange in any other money.

When a Bill of Exchange is purchased, and remitted to the place on which it is drawn, in order to gain by the Re-exchange, from the same place, the Profit should be at least equal to the Interest of the Bill.

Suppose, for example, *A.* of London, purchases a Bill on *B.* of Dublin, of £500 Irish, at 21 Days' Sight, Exchange 10 $\frac{1}{2}$ Cent.; at what Price should the Amount be remitted back in a Bill on London of 21 Days' sight, to afford *A.* 5 $\frac{1}{2}$ Cent. $\frac{1}{2}$ Ann. Interest?

Here it may be computed, that in 56 Days *A.* will receive his return; that is, allowing 21 Days for each Bill, with 3 Days' Grace and 4 Days' Passage.—Then, if £110 : £100 :: £500 : £454 10s. 11d.=the first price of the Bill, the Interest of which, for 56 Days at 5 $\frac{1}{2}$ Cent. is £3. 9s. 8d.—Then, If £458 0s. 7d. (the amount) : £500 :: £100 : £109 3s. 5d. Thus if the Bill be purchased in Dublin at 9 $\frac{1}{8}$ $\frac{1}{2}$ Cent. it will yield something more than 5 $\frac{1}{2}$ Ct. and if at 9 $\frac{1}{4}$ something less.

When Commission* and other expenses are included, the computation may be made in the following manner:—

Suppose £100 be remitted to Amsterdam at 2 Usance, Exchange 11 Fl. 15 Stiv. $\frac{1}{2}$ £. Sterling, at what Exchange must the amount be remitted back to London in a Bill of 2 Usance, so as to prevent Loss?

Interest on £100 at 5 $\frac{1}{2}$ Cent. for 4 Months	£1 13 4
Commission at $\frac{1}{2}$ $\frac{1}{2}$ Cent.	0 10 0
Double Brokerage at 4s. $\frac{1}{2}$ Cent.	0 4 0
Postage.....	0 0 8
	£2 8 0

If 102 8 : 100 :: 11 15 : 11 9 7.

Hence a Bill remitted back at 11 Fl. 9 Stiv. 7 Pen. will yield a Profit of £2 8s. $\frac{1}{2}$ Cent. for 4 Months, which covers the necessary expenses, and affords 5 $\frac{1}{2}$ Cent. $\frac{1}{2}$ Annum Interest on the Remittance.

* Bills of Exchange are generally bought and sold through the medium of Brokers; and the Agent who employs the Broker sometimes also charges his Commission. The Brokerage throughout Europe is 1 per Mille, which is paid equally by the Drawer and Remitter.

In negotiating Bills through several Places, a comparison must be made between the present Course or Direct Price, and the Proportional or Arbitrated Price, in order to determine the best mode of drawing or remitting; and hence the Rules of Arbitration, which are either Simple or Compound.

SIMPLE ARBITRATION.

SIMPLE ARBITRATION is the Proportion between the Exchanges of any two places with respect to a third. Thus the Arbitrated price between Amsterdam and Hamburg is as it stands in the Table, p. 185; for as each of these sums are equal to the Pound Sterling, they are equal to one another.

Ex.—If the Exchange from London to Lisbon be 68d. q Milree, and from London to Madrid 34 Pence q Piastre, what is the Arbitrated Price between Lisbon and Madrid?—that is, how many Rees should be given for 1 Piastre?

The Solution of this Question is obvious; for, as 34 is the half of 68, the Piastre must be worth half a Milree, or 500 Rees. Thus,

$$\begin{array}{cccc} \text{D.} & \text{Rees.} & \text{D.} & \text{Rees.} \\ \text{If } 68 & : 1000 & :: 34 & : 500 \end{array}$$

Suppose the Exchange between London and Paris be 23 Francs, 75 Cents q £. Sterling, and between London and Amsterdam 10 Florins, 15 Stivers q £. Sterling; how many Flemish Pence are equal to 3 Francs?

Livres.	S.	:	Flor.	Stiv.	:	Francs.	
If 23	15		10	15		3	
20			20			242*	
<hr style="width: 50%; margin-left: 0;"/>			<hr style="width: 50%; margin-left: 0;"/>			<hr style="width: 50%; margin-left: 0;"/>	
475			215			729	
12			2			430	
<hr style="width: 50%; margin-left: 0;"/>			<hr style="width: 50%; margin-left: 0;"/>			<hr style="width: 50%; margin-left: 0;"/>	Answer.
5700			430			5700)313470(	55d. Flemish, nearly.

* See page 190.

OF NEGOTIATING BILLS.

As it seldom happens that the advised Course of Exchange and the Arbitrated Price are alike, or at Par, an advantage may be occasionally made by drawing and remitting with judgment; in such cases the following rule may be observed:

Draw upon the Place where the Course of Exchange is below the Arbitrated Price, and remit to the Place where the Course is above the Arbitrated Price.

Suppose the Course of Exchange from London to Madrid be 34d. φ Piastre, and from London to Oporto 68d. φ Milree, the Arbitrated Price between Madrid and Oporto is therefore 500 Rees φ Piastre—but suppose *M.* of Madrid advises *L.* of London that the Exchange for Oporto is 525 Rees: Which is the best mode of drawing, and what is the Profit on a bill of £100?

Here the Course of Exchange between Madrid and Oporto is, with respect to Oporto, below the Arbitrated Price, and therefore let *L.* of London draw upon *O.* of Oporto for £100, and order him to reimburse himself on *M.* of Madrid, according to the given Course of Exchange; and let *L.* of London also remit the value to *M.* of Madrid, by which he will gain £4 15s. 3d.

Thus £100 at 68d. φ Milree = 352 Mil. 941 Rees, which at 525 Rees φ Piastre = 672 Piastres, 2 Reals, 5 Maravedis, and at 34d. φ Piastre = £95 4s. 9d.

Hence *L.* of London obtains for his Bill on *O.* of Oporto £100, for which he remits to *M.* of Madrid, £95 4s. 9d for his reimbursement, and therefore gains £4 15s. 3d.

Or the Gain might be thus found:

If 525 : 500 :: 100 : £95 4s. 9d.

But were the advised Price 480 Rees for 1 Piastre, then *L.* of London should draw on *M.* of Madrid, and remit to *O.* of Oporto, by which he would gain £4.--For,

If 500 : 480 :: 100 : 96.

Or thus:—If 34 Pence : 1 Piastre :: £100 : 705 Pias. 7 Reals, 2 Marav. which at 480 Rees φ Piastre = 338 Mil. 826 Rees, and this, at 68d. φ Mil. = £96 Sterling.

Suppose London has to remit to Hamburg; the Exchange is 32s. 6d. Flemish; but Bills on Lisbon can be purchased in London at $67\frac{1}{2}$ Pence Sterling φ Milree, and, by the latest advice, the Exchange from Hamburg to Lisbon is 46d. Flemish φ Crusado:—Which is the most advantageous, to remit directly to Hamburg, or indirectly through Lisbon?

The most simple method of solving questions of this nature is, to find what the Pound Sterling will bring by direct and by indirect Exchange, and then compare the results.—Thus,

If 400 Rees : 46 Pence Flem. :: 1000 Rees : 115 Pence Flem.
Pence Sterl. Pence Flem. L. Sterl. S. Flem. D.

If $67\frac{1}{2}$ - : 115 :: 1 : 34 1 Indirect Exchange.
32 6 Direct Exchange.

1s. 7d. Gain φ Pound.

Hence the Indirect is about $4\frac{7}{8}$ φ Cent. better than the Direct.—For, if 32s. 6d. Flem. : 1s. 7d. :: £100 : £4 17s. 5d.

Suppose *L.* of London has orders from *P.* of Paris, to remit to him at 23 Francs 6 Cts., and to draw for the amount on *A.* of Leghorn, at the Exchange of 53d. φ Dollar; but *L.* finds the Exchange of London on Paris is 24 Francs—at what Exchange should he draw on Leghorn to fulfil the order?

Fr.	D.	Fr.
If 23,6	: 53	:: 24
53		

24) 1250,8 ($52\frac{1}{8}$ nearly.
120

50 &c.

The above question is evidently Inverse Proportion; for as London gives Paris the Certain, and Leghorn the Uncertain, it is the interest of London that the price of her Pound should be high, and the price of the Dollar low.—Here more requires less, and less more; that is, the *more* Livres are given for the Pound Sterling, the *less* should be the price of the Dollar, to preserve the due proportion. Thus, Inverse and Direct Proportion may be always distinguished in Simple Arbitration.

COMPOUND ARBITRATION.

COMPOUND ARBITRATION discovers the most advantageous mode of negotiating Bills in all cases where more than three places are concerned, and is only a continuation of several statings in Simple Arbitration. This rule may be also performed by Conjoint Proportion; that is, by a series of Proportions, arranged into Antecedents and Consequents, commonly called the Chain Rule.

EXAMPLES.

Suppose the Exchange between London and Amsterdam be 11 Flor. 10 Stiv. (= 38s. Flemish) for £1 Sterling; between Amsterdam and Francfort 6s. Flemish for 65 Creutzers; and between Francfort and Paris 56 Creutzers for 3 Francs;—What is the Arbitrated Exchange between London and Paris? that is, how many Francs and Centimes are equal to £1. Sterling?

$$\begin{array}{rcccc}
 & \text{S.Flem.} & \text{L.Sterl.} & \text{S.Flem.} & \text{S.Sterl.} \\
 \text{If } 38 & : & 1 & :: & 6 & : & 3\frac{3}{9} \\
 \\
 \text{Creutzers.} & \text{S.} & & \text{Creutzers.} & \text{S. D.} & & \\
 \text{If } 65 & : & 3\frac{3}{9} & :: & 56 & : & 2\ 8\frac{1}{2}\frac{6}{7} = 3 \text{ Francs.} \\
 \\
 \text{S. D.} & & \text{Francs.} & \text{L.Sterl.} & \text{Fr. Centimes.} & & \\
 \text{If } 2\ 8\frac{1}{2}\frac{6}{7} & : & 3 & :: & 1 & : & 22\ 5\ \text{¢ } \text{£. Sterling.}
 \end{array}$$

Operations like the above may be thus contracted by the

CHAIN RULE.

I. Distinguish the several Courses of Exchange into Antecedents and Consequents, and place them in two columns, the Antecedents to the left, and the Consequents to the right.

II. Enter on the right the principal sum or term on which the operation is to be performed, and call this the *Term of Demand*.

III. On the left of this term, and a step lower, enter the first Antecedent, which must be of the *same kind or name as the Term of Demand, and of the same value as the annexed Consequent*.

IV. In the same manner, let the second Antecedent be of the same name as the second Consequent, and of the same value as the third Consequent; and so on for any given number of terms.

V. The terms being thus arranged, divide the product of the Consequents by the product of the Antecedents, and the quo-

tient will be the answer in the denomination of the *last Consequent*, which is called the odd term, as all other denominations are entered twice, except that in which the answer is required.

Such Antecedents and Consequents as are alike may be dropped or rejected, and such as admit of a common measure may be reduced to the lowest terms, like Vulgar Fractions.*

The foregoing question performed by the Chain Rule.

ANTECEDENTS.

CONSEQUENTS.

1 Pound Sterling.

1 Pound Sterling = 38 Shillings Flemish

6 Shillings Flem. = 65 Creutzers.

56 Creutzers = 3 Francs.

$$\frac{38 \times 65 \times 3}{6 \times 56} = \frac{7410}{336} = 22 \text{ Francs } 5 \text{ Centimes.} \dagger$$

Suppose Amsterdam has to remit to London £100 Flemish, the Direct Exchange being 11 Florins 1 Stiver or £. Sterling; but a Circular Exchange may be made on the following terms:

* Operations in Compound Arbitration may be likewise facilitated by Logarithms. — Thus, from the sum of the Logarithms of the Consequents, subtract the Sum of the Logarithms of the Antecedents; the difference will be the Logarithm of the Answer.

Any operation in this rule may be proved by what is called the *Doctrine of Contraries*, that is, by beginning with the last Consequent and ending with the first Antecedent; and making all the other Consequents Antecedents, and the Antecedents Consequents.

† The truth of the Chain Rule may be thus algebraically demonstrated.

Let $A, B, C, D,$ &c. be several denominations of money, and $m, n, p, q,$ &c. the numbers or quantities of those denominations, and let them stand thus:

ANTECEDENTS.

CONSEQUENTS.

$m A \dots\dots = \dots\dots n B,$

$p B \dots\dots = \dots\dots q C,$

$r C \dots\dots = \dots\dots s D,$

$t D \dots\dots = \dots\dots v E.$

Now to find what number of the last Denomination (E) is equal to a given Number of the first Denomination (A) let z times the last Term = y times the first; that is, let $z E = y A.$

Multiply all these Equations together, the Antecedents by the Antecedents, and the Consequents by the Consequents, which will give $m A \times p B \times r C \times t D \times z E = n B \times q C \times s D \times v E \times y A,$ and this Equation reduced is $m p r t z = n q s v y.$

Now if the number of the last denomination be required, $z = \frac{n q s v y}{m p r t}$; but if the

numbers of the first denomination be required, $y = \frac{m p r t z}{n q s v} Q, E, D.$

Amsterdam on Paris at 56d. Flemish for 3 Francs; Paris on Venice 300 Francs for 60 Ducats; Venice on Hamburg 1 Ducat for 100d. Flemish; Hamburg on Lisbon 50d. Flemish φ Crusado; and Lisbon on London 64d. Sterling φ Milree.—Which is most advantageous, the Direct or Circular Exchange, and what is the difference φ Cent.?

ANTECEDENTS.	CONSEQUENTS.
	24000d. Flemish.
56d. Flemish =	3 Francs.
300 Francs =	60 Ducats.
1 Ducat =	100d. Flemish.
50d. Flemish =	400 Rees.
1000 Rees =	64d. Sterling.
24000 \times 3 \times 60 \times 100 \times 400 \times 64	60 \times 8 \times 8 \times 24
$56 \times 300 \times 50 \times 1000$	7
= 13165 $\frac{5}{7}$ d. Sterl. = £54 17 1 $\frac{5}{7}$	Circular Exchange.
And if 11F.1S.:£.1St.:£.100Fl.:54 5 11 $\frac{1}{2}$ $\frac{1}{7}$	Direct Exchange.

Gain φ Cent. 11. 2 $\frac{6}{15}$ $\frac{3}{7}$ by Circular Ex.

When Brokerage, Commission, &c. are charged in Circular Exchanges, these expenses should be deducted from each Consequent, and the question worked as before. Suppose in the foregoing problem $\frac{1}{2}$ φ Cent. were charged, say, If 100 : ,5 :: 1 : ,005, which is the common Factor to be multiplied by each Consequent, and the product subtracted—Thus, 3 \times ,005 = ,015, and 3 - ,015 = 2,985 = the second Consequent, and in the same manner the rest may be found.—Or deduct from each Consequent its 200th part.

QUESTIONS FOR EXERCISE

IN DIRECT AND CIRCULAR EXCHANGES.

If the Exchange from London to Hamburg be 33s. 3d. Flemish φ £. Sterling, and from London to Paris 23 Livres 15 Sous φ £. Sterling; How many Francs and Centimes are equal to 100 Marks?—Answer. 188 Francs 12 Centimes.

If the Exchange in Hamburg on London, at 2 Usance, be 33s. —What should it be at sight, reckoning 1 φ Cent. for the time?—Answer. 33s. 3 $\frac{3}{4}$ d.

If the Exchange from Paris to Madrid be 14 Francs 50 Centimes for 1 Pistole, and from Paris to London 23 Francs 95 Centimes ¶ £. Sterling; What is the Arbitrated Price between Madrid and London, that is, how many Pence Sterling should be given for 1 Piastre?—Answer. $36\frac{1}{4}$ d. or more accurately 36,321.

Suppose the Course of Exchange between Amsterdam and Paris be 55 Groots for 3 Francs, and between London and Amsterdam, 10 Florins 15 Stivers for 1 Pound Sterling; What is the Arbitrated Price between London and Paris, that is, how many Francs for the Pound Sterling?—Answ. 23 Francs 45 Centimes.

If the Exchange from France to Hamburgh be $191\frac{2}{3}$ Francs for 100 Marks Banco; What is the Exchange from Hamburgh to France—that is, how many Shillings Hambro' Banco should be given for 3 Francs?—Answ. 25 Shil. 1 Phen.

Hamburgh has to remit to London; the Exchange Direct is 32 Shillings and 1d. Flemish, but Hamburgh can purchase Bills on Amsterdam at $37\frac{9}{16}$ Stivers for 2 Marks Banco.—Now, if the Exchange from London to Amsterdam be 35s. 8d. Flemish ¶ £. Sterling; Which is the most advantageous, for Hamburgh to remit to London direct, or by the way of Amsterdam?—Answer. Hamburgh, by remitting through Amsterdam gives only 30s. $4\frac{1}{2}$ d. Flemish for the Pound Sterling, which is 1s. $8\frac{1}{2}$ d. Flemish better than by the Direct Exchange. The advantage of the Indirect, therefore, is about $5\frac{3}{4}$ ¶ Cent.

Suppose Hamburgh has to remit to London £1757 15s. Flem. Exchange at 35s. 6d. Flem. ¶ £. Sterling, but Bills on other places can be had on the following terms.—Hamburgh on Paris, 54d. for 3 Francs; Paris on Venice, 300 Francs for 56 Ducats; Venice on Amsterdam, 1 Ducat for 100d. Flemish; Amsterdam on Lisbon, 45d. Flemish for 1 Crusado; Lisbon on London, 1 Milree for 63d. Sterl.—Which is the more advantageous, the Direct Exchange or the Circular, allowing $\frac{1}{4}$ ¶ Cent. Commission on each Negotiation?—Answer. £10 5s. $0\frac{1}{4}$ d. Sterling gained by the Circular Exchange.

REMITTANCES AND RETURNS,

EXEMPLIFIED BY

REAL OPERATIONS

THE reciprocal Courses of Exchange between two places should always differ, and the difference should be equivalent to the interest of money and the expenses of remittance. Thus the Course of Exchange of London on Dublin should be 1 φ Cent. more than that of Dublin on London, to afford the remitter from either place a regular profit on his remittances and returns, on bills at the usual date. *See Note, p. 198.*

Suppose, for example, *L.* of London purchases a bill on Dublin, at 21 d|s, of £112. Irish for £100. British, which he remits to his Factor at Dublin, desiring him to make returns in bills on London at 21 d|s; and suppose a bill of £100 British is remitted back to *L.* which costs only £111 Irish, there is £1 Irish φ Cent. gained by the transaction; and the same would take place, had the remittance been first made from Dublin on the above terms.

Now to compute how much the difference here ought to be, the interest of 56 days must be reckoned (the usual time such bills take in making returns), and this, with Brokerage, Postage, &c. will amount to 1 φ Cent. nearly, which is reckoned a *Fair Difference* in the Exchange between London and Dublin, on bills of the above date.

It may, however, be observed, that the difference is not always equivalent to the interest, &c. but fluctuates according to the demand for bills; affording, sometimes, room for speculation, and co-operating with the causes already laid down to render the Exchange favourable, or unfavourable.

The following is a real statement of a bill sent from London to Hamburg, to have returns on London.

	Marks Bo.
£842 2s. 1d. Sterling on Hamburg, at 3 Us. a } 31s. 8d. Flem. φ £. Sterling = }	100,000
	Bo. Marks.
Commission $\frac{1}{2}$ φ Cent.	50 0
Double Brokerage 2 φ Thousand	20 0
Postage ... ✓	3 4
	73 4
Discount, 82 days a 5 φ Cent.*	112 4
	185 8

Net Proceeds in Banco Marks .. 9814 8

Returns in 3 Bills, viz.

	Bo. Marks
£500 0 0 Sterl. a 3 Us. on A. B. a 30s. 10 $\frac{1}{2}$ d. ..	5789 1
200 0 0 a 2 Us. on C D. a 30s. 11d. ...	2318 12
146 16 4 a 2 Us. on E. F. a 31s.	1706 11
	9814 8
846 16 4 Returns	9814 8
842 2 1 Remittance.	

£4 14 3 GAIN; which is not quite equivalent to the Discount and Postage of the Returns; but had the Course of Hamburg on London been 30s. 9d. it would have produced the regular profit. Thus 10d. Flemish φ £. Sterling may be reckoned a *Fair Difference* between Hamburg and London on bills at Usance.

In Exchanges between two places, the denominations of money are not always reciprocal; thus Paris gives Madrid a variable number of Francs for the Pistole, and Madrid gives Paris the Piastre for a variable number of Sous. This will be better understood by perusing the following Lists of Foreign Exchanges.

* When the Returns are to be made directly, the Remittances are discounted, and here it may be observed, that the Interest of Money on the Continent is seldom limited, but fluctuates according to the Plenty or Scarcity of Cash, or the Credit of Paper.

EXPLANATION
OF
FOREIGN LISTS OR QUOTATIONS
OF
EXCHANGE.*

Feb. 1832.

<i>LONDON</i>		<i>AMSTERDAM</i>	
ON	<i>Explanation.</i>	ON	<i>Explanation.</i>
Amsterd. 12....	Florins for £1 Ster.	London.. 39 ..	Sh. Fl. for £1 Ster.
Hambro' 13....	S. M. for £1 Ster.	Hambro' 33¾ ..	Stivers for 1 Dollar.
Paris ....25....	Francs for £1 Ster.	Paris ....55....	Groots for 3 Francs.
Madrid.. 35....	d. Sterl. for 1 Piast.	Madrid ..95....	Groots for 1 Ducat.
Leghorn..46....	d. Ster. for 1 Pezza.	Leghorn ..92½ ..	Groots for 1 Pezza.
<i>HAMBURG</i>		<i>PARIS</i>	
ON	<i>Explanation.</i>	ON	<i>Explanation.</i>
London..35	S. Fl. for £1 Ster.	London..25....	Francs for £1 Ster.
Amsterd. 45	Stivers for 1 Dollar.	Amsterd.53....	Groots for 2 Francs.
Paris.... 24¾ ...	Shil. B°. for 3 Frcs.	Hambro'185....	Francs for 100 Mks.
Madrid.. 55	Groots for 1 Ducat.	Madrid ..15....	Francs for 1 Pistole.
Leghorn.. 85....	Groots for 1 Pezza.	Leghorn 504....	Centim. for 1 Pezza.
<i>MADRID</i>		<i>LEGHORN</i>	
ON	<i>Explanation.</i>	ON	<i>Explanation.</i>
London 36....	d. Ster. for 1 Piastre.	London..48....	d. Sterl. for 1 Dollar.
Amsterd. 96....	Groots for 1 Ducat.	Amsterd.94½..	Groots for 1 Dollar.
Hambro' 89....	Groots for 1 Ducat.	Hambro' 88....	Groots for 1 Dollar.
Paris ....77....	Sous for 1 Piastre.	Paris... 104....	Sous for 1 Dollar.
Leghorn 130....	Dollars for 100Pezza.	Madrid 135....	Doll. for 100 Pezza.

* For a full explanation of the quotations on all Trading Places, see the **UNIVERSAL CAMBIST**, Vol. II. p. 19 to 117.

By inspecting Foreign Lists of Exchange, and comparing the actual and arbitrated Prices, considerable profits are sometimes made, as in the following example, which has been copied from a real operation, when the Exchanges were as follow :

London on Amsterdam 10 16, London on Cadiz 37, and Amsterdam on Cadiz 107 ; whereupon London purchased 10,000 Piastres, and remitted them to Cadiz, to have returns in bills on Amsterdam ; but when the remittance reached Cadiz, the Exchange had come down to 104.

London also drew on Amsterdam for the amount of the remittance, at usance, and the operation stood thus :

	Fl. Cur.	St.
10,000 Piastres at 37d. φ Piastre £1541 13s. 4d.		
and this sum converted to Florins Current, at 10 Florins 16 Stivers φ £. Sterling =	16650	0
		Ducats.
10,000 Piastres converted to Ducats =	7253	$\frac{1}{3}$
Commission, Brokerage, and Discount =	217	$\frac{1}{3}$
	<hr style="width: 100%;"/>	
	7036	
7036 Ducats Current at 104d. Flemish Banco φ Duc.		
and 3 φ Cent. Discount =	17734	15
	<hr style="width: 100%;"/>	
	Gain	1084 15

Hence the gain was about 6 φ Cent. for 2 months ; and had the Piastres been negotiated at 107, the gain would have been about 10 φ Cent. for the above time.

The rules for drawing and remitting upon such occasions have been already explained, and may (from the above) be thus exemplified.

If 272 Marav. (1 Piastre) : 37d. :: 375 Marav. (1 Ducat) : 51d. Then to find the arbitrated price between Cadiz and Amsterdam. If £1 Sterl. : 10 F. 16 St. :: 51d. Sterl. : 91 $\frac{1}{3}$ d. Flem. but Amsterdam gave 104d. instead of 91 $\frac{1}{3}$ d. the arbitrated price ; hence the Exchange was against Amsterdam, and therefore (according to the Rules, page 201) London drew upon the place where the Exchange was below the arbitrated price, and remitted to the place where the Exchange was above that price.

EXCHANGE ACCOUNTS,
HOW RECORDED IN BOOK-KEEPING.

WHEN a Merchant and his Agent or Factor reside in countries where different currencies are used, the Factor keeps his Employer's accounts in the money of his own country; and the Employer, that their books may agree, keeps the same accounts in the same currency: but he also allots an adjoining column in his Ledger for the corresponding value in his own money, by which he ascertains what profits or losses may arise from the fluctuation of Exchange.

In order to explain such an Exchange account, the following example has been selected from the Ledger of a London Merchant, who (as appears by the statement) remitted bills to his Factor at Hamburgh, and drew upon him for his reimbursement, or returns; he therefore debits his Factor for the remittances, and credits him for the drafts; the different amounts are first entered in the inner columns in Banco Marks—and then in the outer columns in Sterling, according to the rate of Exchange at which they were negotiated—and hence arises the profit or loss; thus, if the Merchant buys the bills which he remits at a cheaper rate of Exchange than he sells the drafts which he draws on his Factor, there is a gain; but if otherwise a loss. On the same principle, if he had paid debts which he owed, or received debts due to him, at a more advantageous rate of Exchange than those debts were contracted for, there would have been a gain; but a loss if the contrary.

An Exchange account is balanced by first comparing the inner columns: when they are equal, there is nothing due from one party to the other; and the difference between the outer columns is Profit and Loss: but if the inner columns be not equal, the Balance is what one party owes to the other, which

must be carried to the outer column at the current rate of Exchange, and then the difference between the outer columns is the Profit or Loss.

The letters M | A (*My Account*) as in the following example, have already been explained (p. 180). The Factor, in stating the same transactions, annexes to his Employer's name H | A (*His Account*) and their Ledgers are reversed with respect to the Dr. and Cr. sides.—Thus the Factor, in his account of the following transaction, debits his Employer for the drafts or bills drawn on him, and credits him for the remittances which he receives; and, as all the bills were drawn in Marks (the money of the place where they were to be paid) the Factor has no concern with any other money, therefore he debits his Employer for Commission, Brokerage, Discount, and Postage, in Marks, for which his Employer also credits him, and values those Marks at the current rate of Exchange when the account is balanced.

There are other kinds of Exchange accounts kept between Cambists or Dealers in Exchange, who reside in different countries, and who agree to transact each other's business, commission free, and divide the Gains or Losses. Such accounts, like all other partnership concerns, require Interest Calculations, according as one party may be in advance for the other: this is the case when bills remitted are at a long date, and drafts at a short one, or the contrary; but it frequently happens that one party may be in advance for sums which have not been received by the other party, who is therefore only answerable for the advances in his possession, and the interests of the remainder should be paid out of the general profits.

Exchange accounts are kept by Agents, and their Employers in the following manner; and when they are right, the Dr. side of one account is equal to the Cr. side of the other, and the inner columns of one to the outer columns of the other, and *vice versa*.

<i>Dr.</i>		Mr. JOHN FACTOR, of <i>Hamburg</i> , M. | A.						<i>Cr.</i>			
1832.		Banco Marks.	S. $\frac{s}{d}$	Rate.	£. s. d.	1832.		Banco Marks.	S. $\frac{s}{d}$	Rate.	£. s. d.
Jan. 30	To Balance of old Account	1182 11	0 31		101 14 9	July 17	By Draft, a 2 $\frac{1}{2}$ Usance	9718	4 0	31 4	827 1 8
18	To Remittance	9500	.. ..	31 8	800 0 0	24	By ditto, a 2 Us.	15002	8 0	31 3	1306 17 7
25	To ditto	14175	.. ..	31 6	1200 0 0	Dec. 31	By Commission, Discount, Brokerage, &c.	45711	.. ..	31 8	38 10 10
Dec. 31	To Balance carried to new Account	320 12	0 31 8		27 0 0						
31	To Profit & Loss gained by the Re-exchange . . . . .	.....	.....	.....	43 15 4						
		25178	7 0		2172 10 1			25178	7 0		2172 10 1
							By Balance brought down }	320 12 0	0		27 0 0

DIRECTIONS TO YOUNG CLERKS IN BANKING-HOUSES AND COUNTING-HOUSES.

(With a Description of Banks, &c.)

BANKS.

As Banks are justly considered the great chain and support of modern commerce, a knowledge of their principles and operations must be necessary to every man of business.

Banks are distinguished into *public* and *private*.

Public Banks are established by a number of monied men, who, being duly incorporated by law, deposit a considerable fund for the purposes of their society; and *Private Banks* are such as are established by persons not incorporated, who conduct the business on their own capital and credit. *Private Banks* are further distinguished into *London Banking Houses* and *Country Banks*.

LONDON BANKING HOUSES.

A **LONDON BANKING HOUSE** is an office where several persons keep cash for the sake of security, and other motives of convenience. The advantages arising to the banker chiefly consist in laying out part of the money so placed in his hands, in good and beneficial securities, such as in the stocks, or other government paper; and in discounting bills, by which the most essential support is rendered to trade and commerce. In addition to pecuniary aid, bankers afford great assistance to merchants in undertaking the management of their bills, and in executing other payments and receipts, by which the labour of counting-houses is considerably diminished. This important branch of business is performed without any charge, and with the greatest correctness.

BANKERS' BOOKS.

When an account is opened with a banking-house, that is, when a person pays in money to draw it out as his occasions require, he is furnished with a small book, called *The Customer's Book*, which is kept like a cash-book:—Thus, on the left-hand

page, the house is debited for what he pays in; and on the opposite page, the house is credited for what he draws out.—When he pays in bills, they are entered short; and when received, they are carried out into the cash column; but if he should discount them, they are immediately entered as cash, and the interest is charged on the other side. It should be observed, that the customer never writes in his own book; but what he pays in is entered in it by the banker or his clerk, which serves as a receipt;—and when he wishes to know the state of his account, he leaves his book to be *written up* or settled.

The Books generally used in a banking-house are, the *Money Book*, in which the cashier enters his receipts and payments of money—the *Waste Book*, in which both the money and paper received and paid are particularly specified. In some houses, however, a book is used for paper only, called the *Goldsmith's Book*. The *Cash Book* follows, and contains all the sums both of money and paper paid and received.—From this book the *Ledger* is posted, in which each customer is debited for the sums which he has drawn out, and credited for those that he has paid in. The Customer's Book is written up from the cancelled drafts, and checked by the Ledger account, which should be in substance the same, only reversed with respect to the Dr. and Cr. sides.*

There are also in banking houses, the *In Bill Book*, for the particulars of bills paid in by the customers—the *Out Bill Book*, for bills sent out for acceptance or payment—the *Check Bill Book*, for bills to be brought together, that become due on the same day—and the *Discount Bill Book*, for all bills discounted. A *Discount Ledger* is likewise kept, which shows the state of every discount operation.

The books of a banker are well adapted for proving and checking each other; and there are, besides, further proofs afforded by the *daily* and *annual balances*.—Thus, in the daily balance, the cashier must make his *vouchers* for payments, and his *rest* (or balance at night) equal all his receipts; and, in the annual balance, the sums due to the customers, together with the effects in hand at the beginning of the year, and the profits,

* The above is the City practice, but the principal bankers at the west end of the town keep their Ledger Accounts, with respect to the Dr. and Cr. sides, as the Customer's Books are kept.

must equal the effects in hand at the time of taking stock, with the debts due to the house. Thus the general balance of a banker is similar, in principle, to that of a merchant, or any other man of business.

FIRST EMPLOYMENT OF A BANKER'S CLERK.

The first employment of a banker's clerk is a duty of much risk and responsibility. It chiefly consists in carrying out bills for acceptance and for payment, in which the greatest care and circumspection are necessary. In leaving bills for acceptance their particulars must be noted, in order to claim them the next day; and in presenting them for payment, no paper is to be received except Bank of England notes, or a check on a banker for the exact sum of the bill. On each bank note should be immediately written the name of the person from whom it has been received, with the date—and across the front of each banker's draft should be written the firm of the house into which it is to be paid, by which mark payment will be refused to any other person or firm. This precaution may be useful to persons receiving bank notes and checks, in every department of business.

When the clerk returns home, he must balance his account, by making his cash agree with the bills charged out to him which have been paid; and he must also insert, in the proper column, the success of each bill—he should then bring forward, in his memorandum book, the bills that he has left for acceptance, and likewise prepare and enter out the bills that are to be presented the next day. He is afterwards employed in carrying drafts to and from the clearing house, and in taking such drafts as have been paid in too late for the clearing, to the different houses on which they are drawn, to be marked; which mark is an acknowledgment that they will be paid the next day.

CLEARING*

Is a method adopted by city bankers, for exchanging the drafts on each other's houses, and settling the differences.—

* Clearing, though of modern adoption in England, has been long practised in other countries, particularly at the great fairs of Lyons, where the payments are first made in bills, and finally settled by a general clearing, called *virements de parties*. The invention is ascribed to the Florentines; but the method has been much improved by the London Bankers.

Thus, at a stated hour in the afternoon, a clerk from each Banking firm attends at the *Clearing House*, where he brings all the drafts and bills on the other bankers, which have been paid into his house, and which become due on that day; and having debited their different accounts in his *Clearing Book* for the articles which he has against each, he deposits them in their proper drawers (a drawer being here allotted to each banker). He then credits their accounts respectively, with the articles which they have against him, as found in his drawer; and being provided with a balance sheet, containing an alphabetical list of the Bankers' names, with a money column on each side (the column on the left for Debtors, and that on the right for Creditors), he transfers to it the balances from his *Clearing Book*, placing them in their proper columns against the respective names. He then strikes a *General Balance*, by which he ascertains the net sum that he has to pay or to receive upon the whole.

All the lists being thus complete, the Clerks are arranged at the *Pay Table*—the Debtors on one side, and the Creditors on the other; he who owes the largest balance being placed opposite to him who has the largest claim, and the rest in gradation downward. The Debtors then pay the Creditors, transferring the differences from one to another as most convenient, until all the accounts are cleared, which is done under the superintendence of a person called the *Inspector*.

This important operation is performed with great correctness and dispatch, and with such system, that Drafts and Bills to the amount of £5,000,000, on a daily average, are cancelled with less than one-thirtieth of that sum in *Bank Notes*.

COUNTRY BANKS.

Country Bankers, like those of London, take charge of other persons' money, and discount bills, &c. but they differ from them in many respects.—Some pay an interest, on condition of receiving certain notice before payment is required; others keep a mutual interest account, and charge a commission on their payments. Country Bankers likewise issue their own notes; that is, in discounting bills, or making advances on other securities, they give, instead of cash, their own promissory notes, payable to bearer on demand, which notes, having a currency within

DIRECTIONS TO YOUNG CLERKS, &c.

certain limits, so far answer the purposes of money or any other circulating medium ; and, when they are brought back for payment, they must be discharged either in Coin or Bank of England notes. Most of them are also made payable at a London banking house, where the country banker keeps an account like that of any other customer, with this difference, that a certain sum is commonly left by him in the London banker's hands, as a remuneration for the trouble of transacting the business, and any deposits above that sum are carried to a running interest account.

BANK OF ENGLAND.

THE BANK OF ENGLAND is similar, in its principles and operations, to private banks. Thus, it takes charge of money, discounts bills, and issues its own notes. It likewise acts as Banker and Agent to government, in receiving the revenues, and paying the dividends and other public debts ; it also deals in gold and silver bullion, and foreign coins.

The Bank of England has been established by a number of proprietors, who were incorporated by charter, and who advanced a capital of about twelve millions, which was lent to government at a low interest, in consideration of the charter. The dividends on the bank stock are paid from this interest ; and from other profits of the business, which chiefly accrue from discounts, and dealing in bullion, and from the allowance of government for agency.

This institution is under the management of a *governor*, *deputy-governor*, and *twenty-four directors*, who are annually chosen from among the proprietors ; and the proper qualification of a proprietor is to be possessed of £500 bank stock for six months previous to the time of voting.

The business of the bank is divided into two departments—the one under the *chief cashier*, and the other under the *general accountant*. The chief cashier, as banker, transacts all the receipts and payments of money, and issues the bank notes, for which value is always received, either in cash, bullion, approved bills, or government securities.—The general accountant posts these notes as they are issued, and as they are paid off by the cashier : he also keeps the accounts of the funds, and other public concerns.

The method of opening an account with the Bank is the same as with a private banker, except that, here, no *cash account* is begun with less than £500; nor any *discount account* opened, without the approbation of the court of directors; and every bill discounted must have on it, at least, two approved names of persons resident in or near London, and must be made payable at a London banking house.

The first employment of a clerk in the bank depends on the nature of the office in which he is placed. If under the chief cashier in the hall, his employment is similar to that in a banking house; and if under the general accountant, he will be placed in some of the stock offices, where the duties are various; but the books in every department will be easily understood by persons acquainted with the objects of the institution, and the common principles of book-keeping.

A GENERAL VIEW OF THE BANKING SYSTEM.

IN ENGLAND there are about 1000 country banks, and 70 London banking houses, with the Bank of England at their head, which may be considered as the great foundation and mainspring of the whole. By the joint operation of this system of banks the trade and commerce of the nation are carried on.

IN SCOTLAND there are three public banks and many private ones, all of which are nearly on the principle of English country banks.

IN IRELAND there is a national bank, constituted after the plan of the Bank of England; and also many private banks, similar to those already described.

FOREIGN BANKS are, for the most part, called *Banks of Deposit*, because the money placed in them is not drawn out, but transferred in payment from one person to another, similar to stock in the English funds.

The principal Banks of Deposit are those of Amsterdam, Hamburgh, Berlin, and Copenhagen. In Paris a bank has been established nearly on the plan of the Bank of England: but the business of private bankers (*banquiers*) in France, and in most other places on the continent, consists chiefly in drawing, negotiating, and discounting Bills of Exchange.

A SKETCH OF THE EMPLOYMENTS AND DUTIES OF CLERKS IN THE DIFFERENT DEPARTMENTS OF MERCANTILE HOUSES.

IN a London Counting House, where the concerns are extensive, the business is divided into different departments, each clerk attending to his own particular duty. The following division may be admitted as a specimen of general practice :

1. Book-keepers.
2. Corresponding Clerks.
3. Custom House and Shipping Clerks.
4. Insurance and Underwriting Clerks.
5. Bill and Out-door Clerks, and
6. Junior Clerks.

The following is an outline of their respective duties :

BOOK-KEEPER.

To make the Waste Book Entries ; to keep the Cash Book, and Journal ; to post up the Ledger ; to make out Accounts Current ; and to have his Books written up so closely, that the state of any Correspondent's account may be known at the shortest notice.

CORRESPONDING CLERK.

To write the letters of the house (Foreign and English) ; to notice to the correspondents the state of the different markets, the Rate of Exchange, and the Premiums of Insurance ; to inform them of the sailing or arrival of any vessels in which they may be interested—of the condition in which their consignments are landed ; and what merchandize is likely to answer best ; with any other explanations or orders that the nature of their dealings may require.

CUSTOM HOUSE OR SHIPPING CLERK.

To attend regularly every morning at Lloyd's Coffee-house ; to note the arrival of such ships as have consignments in which his principals are interested.

On obtaining Bills of Lading, and in the reporting of the ship, to make entries at the Custom House ; and to pay particular attention to the landing reports, as to the state in which the cargo is discharged, that it may tally with the Bill of Lading and Invoice. And, that the correspondent's interest may not suffer where there is any deficiency or damage, he is to make out his claim either on the ship, by a deduction from the freight, if there be a deficiency of weight ; or if the goods be damaged by the sea, the claim must be made on the underwriters in the shape of an Average.

In shipping goods for a Foreign Port, he is to be careful in making his entries and endorsing his Cockets, that nothing may be seized or detained from improper descriptions or irregularity of any sort. It is likewise his business to make out the Invoices, to see that the goods ordered are properly selected, and that such as are entitled to a drawback on the exportation be duly stated in the entry, that such allowance may be obtained from the Customs. This clerk sometimes makes out the Account Sales of Produce consigned to the House, when this business is not executed by a Broker, and he likewise pays the Duties, Freight, and other expenses attending the same.

INSURANCE OR UNDERWRITING CLERK.

To attend at Lloyd's, or other Assurance Offices, in order to effect such Insurances as may be ordered. When any loss occurs to make out Averages, and to recover the same as speedily as possible. He should likewise keep the accounts with the different Underwriters ; and if his House underwrites, he should subscribe his Employer's name to approved Policies, if authorised so to do, noting at the same time in his own book the name of the Ship and Captain, the Voyage, description of Risk, the Rate of Insurance, and what return of Premium

must be made for Convoy. He should also keep a book with an alphabetical list of the Risks underwritten, in which he is to note down those which may arrive, be outstanding, lost, &c. This duty is in some houses discharged by either the Shipping or Corresponding Clerks.

BILL CLERK AND OUT-DOOR CLERK.

To enter in the Bill Book all such Bills as may be drawn on the House (called Bills Payable), or remitted to it (called Bills Receivable); see page 58. To see that such of the latter as are not accepted when received, are left at the respective houses on which they are drawn, and that in case of dishonour they are regularly noted and protested, either for non-acceptance or non-payment. It is also his duty to see that all Bills are regularly presented for payment as they become due, where this part of the business is not transacted by Bankers.

JUNIOR CLERKS.

JUNIOR CLERKS are generally employed in copying Letters, Invoices, Sales, and Duplicates of Accounts; making out, under proper directions, Custom House Papers, Bills of Parcels, Bills of Entry, and Duplicates of other Accounts.—In short, they may be employed under the principal clerks in any departments where they are found capable.

The foregoing may be taken as a general outline of the duties of clerks in the Counting House of a London Merchant. In some, however, the employments are differently classed, according to the nature and extent of the business: and if the establishment be of considerable magnitude, several clerks may be employed in each department.

A SHORT
E X P L A N A T I O N
O F
C O M M E R C I A L T E R M S.

A.

ABANDONMENT, the act of relinquishing or giving up goods to Creditors or Underwriters, either in lieu of a debt, or to avoid the payment of charges.

ABATEMENT, a deduction from a debt or contract.

ABBREVIATIONS, initials, or the marks or characters of commercial terms.

ACCEPTANCE, the act of accepting a bill, which makes the Acceptor or Drawee liable to pay it when due. See page 182.

ACCOMMODATION, a term applied to the acceptance of a bill, when the Drawee only lends his name, and the Drawer engages to furnish him with the means of payment before the bill becomes due.

ACCOUNT-CURRENT, see page 171.

ACCOUNT-SALES, see page 81.

ACT OF HONOUR, an instrument drawn by a Notary when a bill is accepted for the honour of another person.

ACTION, a term sometimes used to signify a fixed share or interest in a Commercial Company or Stock.

ACQUITTANCE, a discharge in writing, for a sum of money, acknowledging it to have been paid.

ADJUSTMENT, the settling of the averages or losses on policies of insurance. See *Average*.

ADMINISTRATOR, a person who is allowed to administer in the ecclesiastical court, by which he takes charge of the personal effects of one who dies intestate.

ADVICE, the information given *by letter* of a bill or any other commercial transaction.

AFFREIGHTMENT, the act of loading a vessel with goods.

AGENT, a person duly authorised to act for another.

AGIO, a premium given for any one kind of money in preference to another.

ALLOTTING of goods, is when several persons buy a cargo or quantity of goods jointly, which they divide into as many parcels or lots as there are buyers, and these lots are afterwards drawn, by which the share of each buyer is determined.

ALLOWANCE, a customary deduction in weights and measures; such as *Tare, Trett, Draft, Cloff, Ullage*, &c. which see.

ALLOY, Base Metal mixed with pure in Coins. See note, p. 183.

ANNUITY, a sum paid or received annually. See Stocks.

ANNUL, a term used in Book-keeping when a wrong entry is corrected by writing it on the opposite side.

ANTEDATE, a fictitious date, prior to the true date of a bond, bill, &c.

ARBITRATION, a mode of settling a dispute, by referring the question to the decision of one person or more, without any appeal to law.

ARBITRATION OF EXCHANGE, see page 198.

ASSAY, a process by which the fineness of Coins or Bullion is determined.

ASSIGNEE, a Person appointed to manage the affairs of a Bankrupt.

ASSURANCE, see *Insurance*.

ATTACHMENT, the act by which a Creditor may claim and seize the goods of his Debtor, in whatever hands he finds them.

AVERAGE, a contribution made for losses at sea. See page 174.

A VISTA, at sight.

AWARD, a judgment of arbitration for terminating a difference.

B.

BAILAGE, or **BALLAGE**, a small duty paid to the city of London, for certain goods when exported.

BAILEMENT, the delivery of goods into trust, on condition that they shall be returned when the terms of the agreement are fulfilled.

BALANCE, the difference between the Debtor and Creditor sides of an account.

BALANCE OF TRADE, the difference between the commercial exports and imports of one country with respect to another.

BALE, or **BAG**, an uncertain quantity of packed goods.

BALLAST, or **KENTILLAGE**, any heavy matter placed in the hold of a ship to make her sink to a proper depth, so that she may carry sufficient sail without the danger of oversetting.

BALLIAGE, a small duty paid to the city of London, by aliens and others, on the exportation of certain commodities.

BANCO, bank money; particularly applied to Banks of Deposit.

BANK, an office for keeping and circulating money. See page 214.

BANK BILL, a note signed by one of the Cashiers of the Bank, promising to pay a certain sum of money at an appointed time.

BANK NOTE, a note issued from a bank, payable on demand.

BANKER, a proprietor of a bank or banking-house.

BANQUIER, a person on the Continent, who deals in Bills of Exchange.

BANKRUPT, a person in trade who cannot make good his payments, and who has, therefore, a commission of bankruptcy taken out against him.

BARRATRY, a fraud committed by the Master or Crew of a Ship on the Owners or Insurers; such as sinking, deserting, or taking away the ship, or embezzling the cargo.

BARTER, the exchanging or trucking of one commodity for another.

BATTA, a per centage on the exchange of money in the East Indies.

BILL, a term generally applied to a draft, advertisement, or account.

BILL OF ENTRY, a note of the particulars of goods entered at the custom-house.

BILL OF EXCHANGE, a written order for the payment of money. See page 181.

BILLS OF EXCHEQUER, bills issued by government for different sums which bear interest until paid off, of $3\frac{1}{2}$ d. per cent. per day. They fluctuate with the funds, being sometimes at a premium and sometimes at a discount.

BILL OF HEALTH, an account of the health of a crew, given by the Captain or Master of a vessel.

BILLS, INDIA, bills drawn in India on the East India Company in London, and payable at the India House.

BILLS OF LADING, papers signed by the Master of a Ship, acknowledging the receipt of certain goods on board his vessel, and promising to deliver them at the intended place. It is customary to make out three bills of lading, one to be left with the Shipper, the second to be held by the Captain of the Ship, and the third to be sent to the person to whom the goods are consigned, by which he can claim them on their arrival.

BILLS, NAVY, bills issued by the navy board in payment of stores for the ships, dock yards, &c. They are made payable at 90 days, with an interest of $3\frac{1}{2}$ d. per day on each £100.

BILL OF PARCELS, an account given by the Seller to the Buyer, containing the particulars of the goods bought.

BILL OF SALE, a deed by which a right or interest in certain goods is transferred.

BILL OF STORE, a licence granted at the custom house to Merchants, allowing them to carry, custom free, all provisions and stores necessary for their voyage.

BILL OF SUFFERANCE, a licence granted to a Merchant at the custom house, allowing him to trade from one port to another, without paying custom.

BILLS, VICTUALLING, bills issued by the victualling board, like navy bills by the navy board.

BLANK CREDIT, the privilege for one merchant to draw upon another in the way of accommodation.

BOND, a deed or obligation by which a person binds himself, or his heirs, to pay a certain sum of money at an appointed time.

BONDS, INDIA, bonds issued by the East India Company of £50 and £100 each, bearing interest of 5 per cent. per annum, which interest is paid at the India House.

BOND, POST OBIT, a bond payable after the death of the person whose name is therein specified.

BONDED GOODS. See *Warehoused Goods*.

BOOK OF CARGO OR LOADING, a book kept by the Mate of a trading vessel, containing a particular account of the goods on board.

BOOK OF RATES, a book showing the duty to be paid at the custom house for goods exported or imported.

BOTTOMRY, a contract or loan on a ship in the nature of a mortgage; but it differs from other loans and mortgages, inasmuch as the rate of interest is higher, and the security more precarious; for if the ship be lost, neither loan nor interest can be demanded.

BOUNTY, a premium given for the encouragement of some branch of trade, manufacture, or agriculture.

BROKERAGE, the commission paid to brokers.

BROKERS, persons appointed to transact business between merchants and others; thus, there are Ship Brokers, Insurance Brokers, Exchange Brokers, Stock Brokers, &c.

C.

CALICOT, an allowance at the India House.

CAMBIST, a dealer in bills of Exchange, or a person skilled in the business of Exchanges.

CAPITAL, the amount of any sum or stock.

CARAT, a word used in expressing the fineness of gold. See note, page 183.

CASHIER, one whose business it is to receive and pay money.

CERTIFICATE, a paper certifying any thing.

CHARTER, a written evidence of some grant, or privilege.

CHARTER PARTY, a contract executed between the person

who hires a ship and the owner, setting forth the terms, &c. A ship is said to be chartered when hired for a voyage.

CHATTELS, all kinds of goods and property.

CHECK, a written order for money on a banker.

CHEVISANCE, a composition between debtor and creditor.

CIRCULATING MEDIUM, cash, bank-notes, or other paper money payable on demand.

CLEARING A SHIP, is entering all particulars relating to her at the custom-house.

CLEARING OF DRAFTS OR CHECKS, the mode used by city bankers for exchanging checks on each others' houses. See page 216.

CLOFF (now but little used), an allowance in the weight of goods: by some it is a deduction, like draft, from the original weight; by others an allowance of 2lb. for every 3 cwt. after deducting the tare and trett.

COCKET, a custom house warrant given on the entry of goods, to show that they have paid the duty.

COMMERCE, traffic between different countries,—mercantile business in general.

COMMISSION, a per centage given to Agents or Factors, for transacting the business of others.

COMMISSION OF BANKRUPTCY, an order under the great seal, directing five or more Commissioners to inquire into the affairs of a Bankrupt.

COMMISSIONER, one who transacts business for another by commission.

COMPANY, a society or partnership in trade or commerce.

COMPOSITION, part of a debt taken in lieu of the whole.

COMPROMISE, settling a difference in which some concessions are made on both sides.

COMPTE SIMULE, a copy of the usual charges made on the Sale of Goods. A *Pro Forma* of an Account-Sales, showing the terms upon which a Broker or Factor will sell Merchandise.

CONSIGNEE, a factor, agent, or other person to whom goods are consigned.

CONSIGNMENT, the sending or delivering over of goods to the care of a factor.

CONSUL, a person established by a power in a foreign country to take care there of the affairs of commerce of his own nation.

CONTINGENT, the proportion that falls to the share of a person concerned in any business or adventure.

CONTRABAND TRADE, that which is prohibited by law.

CONTRACT, a covenant or agreement between two or more persons.

CONTRIBUTION. See *Average*.

CONVOY, ships of war sailing with other vessels in order to protect them.

CO-PARTNERSHIP, is when two or more persons unite in trade, and agree to participate in the profits or losses, according to their respective shares in the capital, or other agreement.

COUNTERVAILING DUTIES, equal duties established between two countries, and charged on the exportation and importation of the same kind of goods.

CRANAGE, money paid for the use of a crane.

CREDIT, in commerce, a trust of money or merchandize.

CREDIT SIDE, the right hand page or side of an account.

CURRENCY, money in common circulation, whether coin or paper. In America, however, and some parts of the West Indies, money of account is called currency.

CUSTOM, a tax paid for goods exported or imported.

CUSTOM HOUSE, the place where entries are made of goods exported or imported, and the duties paid.

D.

DAYS OF GRACE, a certain number of days allowed for the payment of a bill, after the written term is expired. See page 185.

DEBENTURE, a certificate given at the custom-house, when the exporter of goods conforms to the proper regulations, by which certificate he becomes entitled to receive a bounty or drawback.

DEBIT SIDE, the left hand page or side of an account.

DEL-CREDERE, a charge made for the guarantee of debts. To remain del-credere is to remain answerable for debts contracted, for which Factors or Agents mostly receive double commission. It is sometimes called *Guarantee*.

DEMAND, calling upon a man for any sum of money, or any other thing due. A bill is payable on demand when it is to be paid immediately on being presented.

DEMURRAGE, an allowance made to the master of a ship for being detained in port longer than the time agreed upon.

DEPOSIT, a sum advanced in part of payment, which sum is to be accounted for in the general balance; or a security to perform a duty, to be re-delivered when such duty is performed.

DEVIATION, a departure, without reasonable cause, from the

regular course of a voyage insured. Such deviation annuls the contract of insurance.

DISCOUNT, an allowance made for prompt payment. The usual mode is to deduct the interest for the time.

DISHONOUR, a term used when the acceptance of a bill of exchange, &c. is refused.

DISTRAIN, to seize goods for payment of a debt.

DIVIDEND, a share of any profit, debt, or capital; also, the interest in the stocks.

DOCK, a place where ships are built, repaired, laid up, or lodged for loading and unloading.

DOCKET, a short memorandum or summary affixed to larger papers. Striking a docket is when a creditor gives bond to the Lord Chancellor, proving his debtor to be a bankrupt.

DOCQUET BOOK, or **SEDERUNT**, a book sometimes kept in company concerns containing a copy of every general balance in the Ledger. This abstract is signed by the partners according to the terms of their contract.

DOVER, a small duty paid by ships on passing the Straits of Dover.

DRAFT, a bill or check by which one person draws for money on another. Also an allowance deducted from the original weight of goods.

DRAWBACK, an allowance made at the custom house for the exportation of goods that have paid inward duties. See *De-benture*.

DRAWEE, the person on whom a bill of exchange is drawn.

DUTY, a tax on merchandize. See *Custom*.

E.

EARNEST, money advanced to bind parties to the performance of a verbal agreement.

EMBARGO, the stopping of ships by order of government.

EMBEZZLEMENT, is when a person appropriates by breach of trust, or turns to his own use what is committed to his care.

EMPORIUM, a principal place for merchandize, a mart, a staple.

ENDORSEMENT, the signature which the owner of a Bill of Exchange writes on the back. See page 181.

ENTREPOT, a public magazine appointed in most foreign countries for the reception of merchandize imported.

ENTRY, a statement of goods imported or exported, as entered in the books of the custom house.

ESCADAGLIO or **SCANDAGLIO**, a sample of the measure of

corn lading on board of a ship, and which measure is delivered to the Captain in a sealed bag, to be given to the Consignees of the cargo to ascertain deficiency and prevent dispute.

EXCMBIUM, an exchange, where merchants meet.

EXCHANGE. See page 181.

EXCHEQUER, the court to which all revenues belonging to the crown are brought. See *Bills of Exchequer*.

EXCISE, an inland tax levied upon various commodities.

EXPORTATION, the act of sending goods from one country to another.

EXTENT FACTOR, a Merchant's Agent or Correspondent in some distant part.

F.

FACTOR, an Agent or Commissioner.

FACTORAGE, the allowance, commission, or wages, given by a Merchant to his Agent or Factor.

FACTORY, a commercial establishment in a foreign country, where Factors, Merchants, and Traders carry on business with the natives of the place.

FELLOWSHIP, in commerce, is when two or more join their stock and trade together, dividing their gain or loss proportionably.

FINANCES, a term generally applied to the public revenues.

FIRM, the title or signature of a mercantile house or company.

FORECLOSING, a mortgage to compel payment or dispose of the property.

FORESTALLING, the buying of goods, &c. before they come to market, with a design to raise the price.

FREIGHT, the goods which a ship carries; also the money paid for carrying them.

FUND, a stock or capital; that from which any expense is supported.

FUNDS, PUBLIC. See *Stocks*.

FUORI BANCO, out of bank; the current money of Genoa.

G.

GARBLE, the dust, dross, and refuse of spices and drugs.

GARBLING, picking out the worst of any commodity.

GAUGER, a person appointed to gauge or ascertain the contents of any excisable commodity.

GAZETTE, a paper published by government, containing, among other things, notices of the dissolution of partnerships, commissions of bankruptcy, suspension or continuance of bounties, embargoes, &c.

GOVERNMENT, in a commercial sense, means guidance or rule.

GRACE. See *Days of Grace*, p. 182 and 185.

GROSS, twelve dozen.

GROSS WEIGHT, the whole weight of goods, including chests or bags, dust, dross, &c.

GROUNDAGE, a small duty payable in certain ports by ships coming to anchor.

GUARANTEE, a security—a power that sees stipulations performed.

GUILD, a company or society of men incorporated.

H.

HALAGE, money paid for haling, drawing, or carrying goods to and from ships.

HUSBANDAGE. See p. 175.

I.

IMPORTATION, the act of bringing goods into a country from foreign parts.

IMPOST, a duty on goods imported.

INDEMNITY, is when a person secures another from responsibility against any particular event.

INDORSEMENT, or **ENDORSEMENT**. See page 181.

INGROSSING, buying up large quantities of corn or other provisions, with a view to raise their price, and to sell them again.

INSOLVENT, a person not possessed of a capital adequate to the payment of his debts.

INSTALMENTS, payments of a sum of money in certain proportions, and at stipulated times.

INSURANCE, or **ASSURANCE**, a contract of indemnity, by which one party engages, for a stipulated sum, to insure another party against a risk to which he is exposed. The party who takes upon him the risk is called the *Insurer*, *Assurer*, or *Underwriter*, and the party protected by the insurance is called the *Insured*, or *Assured*; the sum paid is called the *Premium*, and the paper or parchment, containing the contract, is called the *policy*.

INTEREST, a premium paid for the use or loan of money.

INVENTORY, a schedule, account, or catalogue of effects.

INVOICE. See page 64.

J.

JERQUING, of a ship, is a search performed by an officer of the customs (called Jerquer), after she is unloaded, to see if there are no unentered goods concealed.

JOURNAL. See page 5.

K.

KEY, KAY, or QUAY, a lawful wharf for the landing of goods.

KENTILLAGE. See *Ballast*.

KEYAGE, or WHARFAGE, a toll paid for loading or unloading goods at a key or wharf.

L.

LAND-WAITER, or SEARCHER, a custom house officer, whose duty it is to take account of goods imported.

LASTAGE, the ballast or lading of a ship; the word is sometimes used for garbage, rubbish, &c.

LEAKAGE, an allowance made at the custom house, for waste or loss of liquors.

LEDGER. See page 7.

LETTER OF ADVICE, a letter giving notice of any transaction.

LETTER OF ATTORNEY, or POWER OF ATTORNEY, a writing which empowers one person to act for another.

LETTER OF CREDIT, a letter by which one person can receive money on the credit of another.

LETTERS OF MARQUE, are commissions granted to Captains of ships and others, in time of war, to make reprisals on the ships of the enemy.

LETTERS PATENT, a privilege granted to an inventor to enable him, exclusively, to enjoy the advantages of his invention for a certain term of years.

LICENCE, a privilege from government for carrying on a trade or business, on which a certain duty is laid.

LIEU, a claim, or attachment on any property which a person has in his possession, for a debt due to him from the owner of the property.

LIFE ANNUITIES, annual payments to continue during one, or several lives.

LIGHT BILLS, charges paid to the Trinity House for Light Houses, Buoys, &c.

LIGHTERAGE, money paid for carrying goods to and from a ship, in a boat or lighter.

LIQUIDATION, the concluding or winding up of a business, such as paying and receiving all debts, &c.

LOAN, a thing lent; a sum lent to government, which makes part of the national debt. See *Stocks*.

LUBS, or **LUBISH**, a term applied to the money of Lubeck and Hamburgh, as *Sterling* is to English money. See page 188.

M.

MANIFEST, a paper containing the particulars of a ship and cargo, which paper must be signed by the master of the vessel, before any of the goods can be landed.

MANUFACTURE, a commodity produced by labour or machinery from any raw material.

MART, a great market, fair, staple, or other place of public traffic.

MAXIMUM, the highest price of any article, as fixed by some law or regulation.

MERCHANDIZE, all sorts of goods that are bought and sold by merchants.

MERCHANT, a person who deals or traffics in a large way on his own account.

MINT, the place where money is coined.

MORTGAGE, a pawn of lands, houses, or goods, given as a security for money borrowed. The Borrower is called the *Mortgager*, and the Lender the *Mortgagee*.

MULCTS, fines laid on ships or goods, for the maintenance of Consuls, Garrisons, &c.

N.

NATIONAL DEBT. See *Stocks*.

NEAT, or **NET WEIGHT**, the weight of any commodity alone, without the cask, bag, dross, &c.

NET PROCEEDS, the amount or sum which goods produce after every necessary deduction is made.

NONCLAIM, is where a creditor neglects to make his claim within a proper time, in which case he cannot enforce his demand.

NOTARY PUBLIC, a person duly appointed to attest deeds and other writings; also to note and protest bills of Exchange, or other drafts, or notes, when refused or returned.

NOTE, an order in writing for money; also a security for money; it likewise means a memorandum.

NOTING, is the act of a Notary when a bill is not duly honoured.

O.

OBLIGATION, a bond containing a penalty, with a condition annexed for the payment of money, the performance of covenants, &c.

OBLIGEE, he to whom a bond is made payable.

OBLIGER, he that enters into a bond, or he by whom it is to be paid.

OMNIUM. See *Stocks*.

ORDER, a command to buy, sell, or deliver goods or commodities, or to pay or receive money.

ORDNANCE DEBENTURES, bills issued by the Board of Ordnance, for the payment of stores, &c. purchased for that office or department.

P.

PACKER, a person who carries on the business of packing goods.

PAR OF EXCHANGE. See p. 182 and 185.

PART OWNERS, persons possessed of certain shares of ships.

PAYEE, the person to whom a bill is made payable. See page 181.

PENALTY, a forfeiture or fine for disobedience to certain laws or regulations; a penalty is also occasionally annexed to secure the payment of money, or the performance of any contract.

PERMIT, a license or warrant for the passing, or selling of goods, which have paid duty or excise.

PERPETUITY, the number of years' purchase to be given for an annuity that is to last for ever.

PESAGE, money paid for weighing goods.

PIERAGE, money paid for the use of a pier.

PILOTAGE, money paid for piloting a ship.

POLICY OF INSURANCE. See *Insurance*.

PORTAGE, money paid for sailors' wages while in port.

PORT CHARGES, money paid for the use of a port in shipping or landing merchandize.

PORT SALE, a sale of goods upon the key.

POST ENTRY, an additional entry made by a merchant at the custom house, when the first entry that he made was found to be too small.

POUNDAGE, a duty formerly paid to the King of 1s. in the pound on all goods imported and exported, except on such as paid tonnage, and on bullion, diamonds, and a few others.

COMMERCIAL TERMS.

PRE-EMPTION, a first buying or buying before others.

PREMIUM, the money paid for insuring ships, goods, houses, &c.

PRICE-CURRENT, a list published in commercial places of the current value of commodities.

PRIMAGE, a certain allowance to the Captain and Mariners.

PRINCIPAL, a sum lent on interest; also the head of a firm, or house.

PRISAGE, the share belonging to the King out of such merchandize as is taken at sea, in the way of lawful prize.

PROCURATION, the power given by a Merchant to a Clerk or Agent, to write his signature or firm.

PRO FORMA, a term generally applied to a paper showing the terms or charges attending any particular business or transaction; as a *Pro Forma Account Sales*.

PROTEST, a paper made out by a Notary Public, declaring a bill to have been refused.

Q.

QUARANTINE, the time that a ship suspected of infection is obliged to keep from all intercourse of commerce; also certain duties imposed on ships for the purposes of quarantine.

QUEST-MEN, persons appointed to inquire into abuses, especially such as relate to weights or measures.

QUOTATION, a term generally applied to a list of the prices of exchange.

R.

RE-ASSURANCE, a contract by which a first insurer relieves himself from the risks he has undertaken, and throws them upon other underwriters, called re-assurers.

REBATE, called **RABATT** on the Continent, a deduction of so much per cent. on the stipulated price of goods.

RECEIPT, a written acknowledgment of having received a sum of money or other property.

RE-EXCHANGE, the price of a new exchange due upon a bill that has been protested, which new exchange must be refunded by the drawer to the holder of the bill.

REFACTION is a deduction from the weight of goods for damages.

REFUNDING, the paying back of the money received in consideration of a contract that has not been fulfilled.

REGRATING, buying and selling, in the same market, corn or any other article of provision.

RELEASE, is the relinquishing of any right of action which a man has or may claim against another.

REMITTANCE, the act of sending money or bills of exchange to a distant place.

RESPONDENTIA, a bond and contract by which money is borrowed on the security of goods, the same as in bottomry on the security of a ship.

RESTITUTION, is that when any money has been paid wrongfully or by mistake, the person so paying has a right to demand it back.

RETAIL, dealing in commodities in small quantities.

RETURNS, a term expressing the value, either in goods or in money, returned by the consignee of a cargo or parcel of goods to the consigner. The term is also applied to a return of bills.

S.

SALVAGE, an allowance made for saving ships or goods from dangers of seas, enemies, &c.

SAMPLE, a small quantity of an article exhibited at a sale, as a specimen of the commodity.

SCHEDULE, in commerce, the statement of effects delivered by a bankrupt to the commissioners who are appointed to investigate his affairs.

SEA-WORTHY, is when a ship is, in every respect, fitted for the destined voyage.

SEIZURE, an arrest of merchandize, moveable, or other matter, in consequence of some law, or order from government.

SET OFF, of mutual debts; where tradesmen are mutually indebted, one debt may be set against the other; and in case an action be brought, notice is to be given of the particular debt intended to be set off against another.

SPECIE, coin as distinguished from paper money.

STANDARD, a pattern for weights or measures; that is, a weight or measure of admitted authority, by which others are adjusted.

STAPLE, a city, town, or place, appointed as a public mart for the sale of goods.

STAPLE GOODS, such as are sold at a staple. The term is also applied to the principal produce of a country, and likewise to goods that are not of a perishable nature, as wood, lead, iron, &c.

STOCK, a fund raised by a commercial company. A principal sum or property employed in trade.

STOCKS, or **PUBLIC FUNDS**, are the debts of government, for which interest is paid from revenues set apart for the purpose. The mode of raising supplies for the state by borrowing

money from individuals or public bodies, and levying taxes for the payment of the interest, is called the *Funding System*; and the loans thus raised constitute the *National Debt*.

The debts of government differ from other contracts, inasmuch as the public Creditor or Stock-holder can only claim his interest; he may, however, sell his stock; that is, he may transfer his claim to any other person, and thus obtain his capital, more or less, according to the price of stock, which fluctuates from a variety of causes.

Loans are sometimes raised on annuities for a limited time, and such are called *Terminable Annuities* and *Irredeemable*: but the general practice is to raise loans on interest, and these are called *Perpetual Annuities*, and also *Redeemable*: because government has the option of paying off the principal, whenever the price is at par.

The different funds are further distinguished according to the object or terms on which they were established, or certain subsequent modifications; thus, some are called the *Three per Cents.* some the *Four per Cents.* and some the *Five per Cents.*; and the manner of buying stock is to give a specific sum for a nominal one: if, for example, the price of the *Three per Cents.* is £60, it is paying this sum for £100 stock. This yields a dividend of £3 a year, which is five $\frac{1}{2}$ Cent. $\frac{1}{2}$ Annum interest. The same interest accrues in the *Four per Cents.* when at 80, and in the *Five per Cents.* at 100. It may, however, be observed, that the interest in the different funds is not always equal; the time of paying the dividends makes a difference, and a preference is likewise given to that stock which is most marketable, and the least liable to be redeemed by government.

New loans are generally paid in by instalments of 10 or 15 $\frac{1}{2}$ cent. at stated periods, and they generally comprehend different kinds of stock, which, together, are called *Omnium*. If these be disposed of separately before the instalments are paid, the different articles are denominated *Scrip* (a contraction for subscription.) The *Omnium* fluctuates like other stocks, that is, the original terms are sometimes at a premium, sometimes at par, and sometimes at a discount.

Loans are called a *Funded Debt*, when taxes are appropriated for paying the interest; but sums raised by government, for which no such provision is made, are called the *Unfunded Debt*: of the latter description are *Exchequer, Navy, Victualling, and Ordnance Bills*.

STOCK is a term likewise applied to the capitals of the Bank of England, and of the East India and South Sea Com-

panies, &c. These stocks are transferable like government funds, but the dividends vary according to the success of the respective companies.

STOCK, in Book-keeping, denotes the owner or owners of the books.

STOCK-JOBBER, a person who deals in the public funds on his own account.

STORAGE, warehouse rent.

SUBSIDY, an aid or tribute granted to the King by a tax on goods, lands, &c. Also a foreign supply or grant.

SUPERCARGO, a person employed on board a ship to oversee the cargo.

SURETY, is when one person becomes bound for another to pay a certain debt, or perform a certain act.

SUTTLE, the weight of goods after Tare is allowed, and when a further deduction is to be made.

T.

TALLY, a cleft piece of wood to score any account upon. Tallies are used by the Officers of the Exchequer, who keep one of the clefts in the office, and give the other to such persons as pay in money.

TARE, an allowance for the weight of the bag, box, cask, or other package in which goods are weighed. It is distinguished into *Real* or *Customary*, and *Computed* Tare, according as the package is weighed, computed, or settled by a customary allowance.

TARIFF, an account of the rates of duties imposed on merchandize at the custom-house. The term is likewise applied to certain regulations in coins.

TELLERS, Officers or Clerks in public offices, who reckon, receive, and pay money.

TIDES-MEN, or **TIDE-WAITERS**, officers appointed to attend the loading and unloading of ships, in order to prevent contraband trade.

TONNAGE, certain duties imposed on goods. This term is also applied to the burden or number of tons carried by a ship.

TONTINE, a loan raised on life annuities, with the benefit of survivorship. Thus, an annuity after a certain rate of interest is granted to a number of subscribers, who are divided into classes according to their ages; and, annually, the whole fund of each class is shared among its survivors, till at last it falls to one; and, on his death, it reverts to the power that first esta-

blished the tontine. The term is derived from the name of the Inventor of the Plan.

TRAFFIC, a general term for Trade, Commerce, Barter, &c.

TRANSFER, the act whereby one party makes over his right, interest, or property to another.

TRANSIT, a custom-house warrant or pass.

TRETT, or **TRET**, an allowance of 4 *lb.* φ 104 *lb.* to be deducted from theuttle weight of goods. This allowance is now nearly discontinued, or allowed in the price.

TRONAGE, a custom or toll for weighing goods.

TRUCK, an exchange of one kind of goods for another; to barter or traffic.

TUNNAGE, an impost of so much φ tun on liquors imported or exported.

U.

ULLAGE, what a cask of liquor wants of being quite full.

UMPIRE, a person appointed to settle a dispute or difference when the arbitrators cannot agree.

UNDERWRITER; a person who insures ships, cargoes, or other risks, which is performed by writing his name under a policy of Insurance.

USANCE, the usual term or time of a bill of exchange. See page 182.

USURY, a charge of interest beyond what is allowed by law. See page 208, also page 171.

V.

VELLON, a money in which accounts are kept in many parts of Spain. See page 192.

VENDEE, the person who buys.

VENDOR, the person who sells.

VENDUE, an auction or public sale.

VOUCHER, a document or paper proving that some payment has been made, or other transaction effected.

W.

WAREHOUSE, a house where goods are deposited or kept.

WAREHOUSED GOODS, or **BONDED GOODS**, certain articles which, on being landed, are warehoused upon bond being given for the payment of duties, &c.

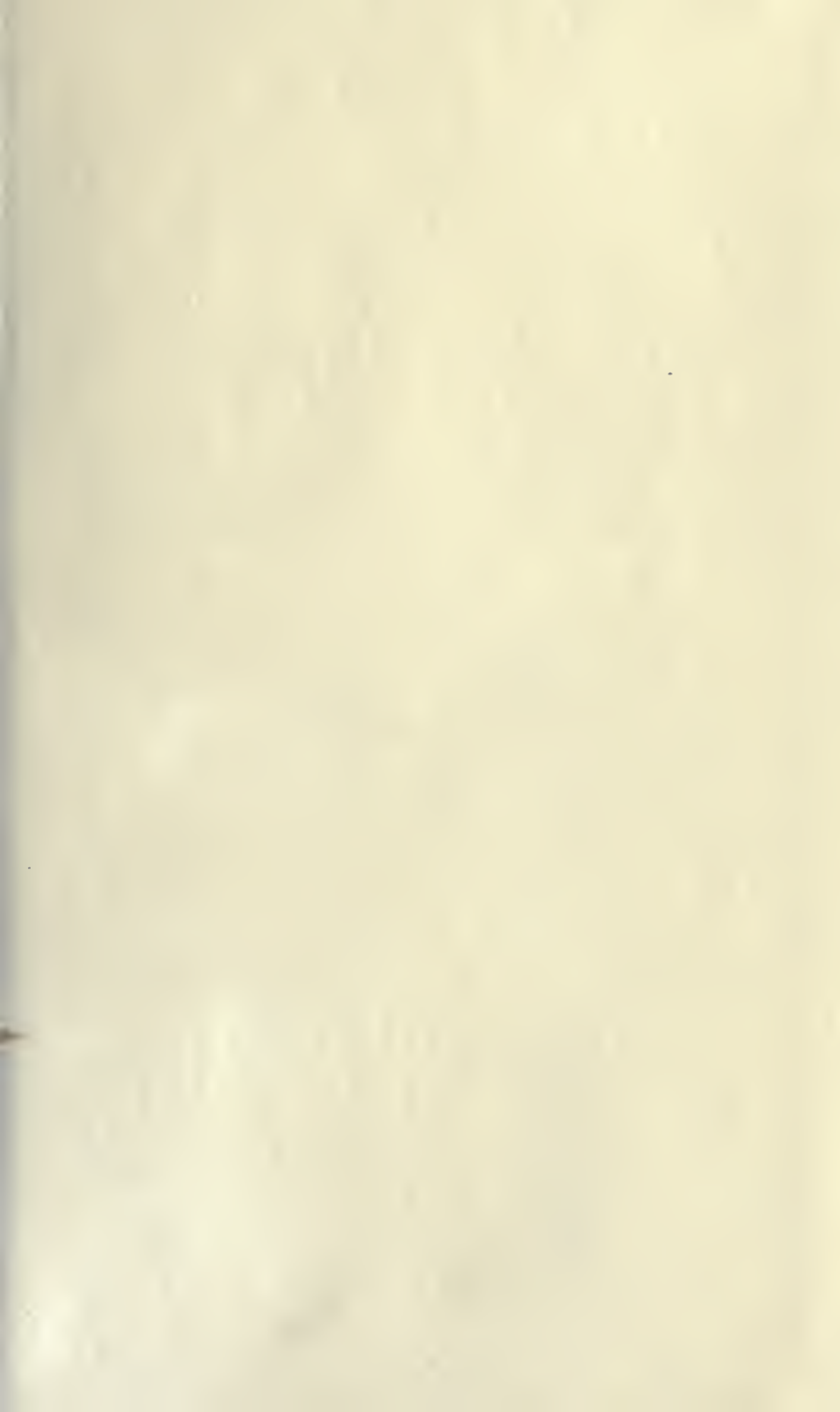
WASTE, loss on merchandize through heat, leakage, &c.

WASTE BOOK, a book containing a regular detail of mercantile transactions. See page 5.

WHARFAGE, money paid for the use of a wharf.

WHOLESALE, dealing on a large scale.

THE END.





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The elements of book-
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